

News Release
For Immediate Publication

**MALAKOFF POSTS A NET PROFIT GROWTH OF
33.1% FOR Q1 FY2020**

Improved Performance due to Alam Flora and Higher Contribution from Associates

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 March 2019.

KUALA LUMPUR, Malaysia – 20 May 2020: Malakoff Corporation Berhad (“Malakoff” or “Group”), a member of the MMC Group, recorded higher Profit after Tax and Minority Interests (“PATMI”) of RM89.2 million in the quarter ended 31 March 2020 (“Q1 FY2020”), an increase of 33.1% from RM67.0 million reported in the corresponding quarter ended 31 March 2019 (“Q1 FY2019”).

The improved performance was primarily due to the contribution from its newly acquired subsidiary, Alam Flora Sdn Bhd (“AFSB”), higher earnings from the Group’s investments in associates subsequent to the completion of 12% additional interest in Shuaibah on 12 September 2019 and lower Operations and Maintenance (“O&M”) costs. In addition, the period under review includes the absence of the share of losses from the Group’s 40%-owned Kapar Energy Ventures Sdn Bhd (“KEV”), resulting from provisions made up to the carrying amount of investment in KEV as at 31 December 2019.

However, the Group posted revenue of RM1,774.0 million for Q1 FY2020, a decrease of 11.6% from RM2,007.3 million reported in Q1 FY2019. This was primarily due to lower energy payment recorded given the decline in Applicable Coal Price (“ACP”) at Tanjung Bin Power Sdn. Bhd. (“TBP”) and Tanjung Bin Energy Sdn. Bhd. (“TBE”) as well as a decrease in despatch factor at Segari Energy Ventures Sdn. Bhd. (“SEV”) and Prai Power Sdn. Bhd. (“PPSB”) gas plants following scheduled outage

maintenance works. However, these were partially moderated by revenue contribution from AFSB, the acquisition of which was completed on 5 December 2019.

Dato' Ahmad Fuaad Kenali, Chief Executive Officer of Malakoff said, "We are facing unprecedented challenges in the wake of the Covid-19 crisis and the Group will continue to adapt to the new normal while ensuring efficient, stable and reliable operations. As the Group operates in essential services sector, it has been 'business as usual' for our power plants and waste management services during the Movement Control Order ("MCO") period. However, reduced demand for electricity in the industrial and commercial sectors amidst the MCO has adversely impacted the dispatch of electricity during the period."

"Notwithstanding these headwinds, the Group will continue to execute its strategic initiatives of focusing on operational excellence, achieving sustainable growth and strengthening its fundamentals. Apart from its ongoing solid waste management activities, the Group's new revenue stream, AFSB has been actively involved in sanitisation and disinfection services around Kuala Lumpur, Putrajaya and Pahang as part of the Government's efforts to curb the spread of the Covid-19 pandemic," he added.

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 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.

For more information, please log on to www.malakoff.com.my

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 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, MMC is the single largest shareholder of both Malakoff Corporation Berhad, the country's largest Independent Power Producer and Gas Malaysia Berhad, a total energy solutions provider.

MMC'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 contractor for the entire Sungai Buloh-Serdang-Putrajaya project (SSP Line). MMC is also currently, undertaking key civil and infrastructure projects in the country namely Langat Centralised Sewerage Treatment Plant and Langat 2 Water Treatment Plant. Notably, MMC completed the 329 km Ipoh-Padang Besar Electrified Double Tracking Project and the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first of its kind, dual-purpose tunnel in the world.

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 includes the Senai Airport City, Tanjung Bin Petrochemical & Maritime Industrial Centre and the Northern Technocity.

In other businesses, MMC 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 – an emerging southern aviation hub and important gateway to Iskandar Malaysia.

Enquiries: Please log on to www.mmc.com.my or call:

*Aini Zahariah Zakaria, Manager Corporate Communication, Malakoff Corporation Berhad
Tel: +6019 713 9737 / +603 2263 3346
Email: ainizahariah.zakaria@malakoff.com.my*

*Azlina Ashar, Head of Group Corporate Communications, MMC Corporation Berhad
Tel: +6019 6688 990 / +603 2071 1124, Fax: +603 2026 2431
Email: azlina.ashar@mmc.com.my*