

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Year Ended 31 December 2022

	3 months ended 31.12.2022 RM'000 (Unaudited)	3 months ended 31.12.2021 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2022 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2021 RM'000 (Audited)
Revenue	2,972,722	1,943,717	10,355,150	6,463,084
Cost of sales	<u>(2,579,873)</u>	<u>(1,478,129)</u>	<u>(8,663,764)</u>	<u>(5,054,058)</u>
Gross profit	392,849	465,588	1,691,386	1,409,026
Other income	112,843	9,750	126,412	25,974
Administrative expenses	(85,366)	(58,402)	(264,530)	(218,165)
Impairment loss on investment in an associate	(203,273)	-	(398,273)	-
Net gain on reversal/(loss) on impairment of financial instruments	-	2,017	(12,239)	(16,406)
Other operating expenses	<u>(48,922)</u>	<u>(256,322)</u>	<u>(159,783)</u>	<u>(352,417)</u>
Results from operating activities	168,131	162,631	982,973	848,012
Finance income	19,249	19,361	85,312	107,627
Finance costs	(141,077)	(167,178)	(607,932)	(682,623)
Net finance costs	(121,828)	(147,817)	(522,620)	(574,996)
Share of profit of equity-accounted associates and joint ventures, net of tax	<u>115,029</u>	<u>49,793</u>	<u>276,418</u>	<u>196,551</u>
Profit before tax	161,332	64,607	736,771	469,567
Tax expense	<u>(102,318)</u>	<u>(36,070)</u>	<u>(350,868)</u>	<u>(164,483)</u>
Profit for the period/year	<u>59,014</u>	<u>28,537</u>	<u>385,903</u>	<u>305,084</u>
Other comprehensive income, net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	20,252	32	20,252	-
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	972	11,638	2,584	49,706
Share of gain on hedging reserve of equity-accounted associates and joint ventures	1,405	28,998	106,296	81,445
Foreign currency translation differences for foreign operations	<u>(18,139)</u>	<u>(2,637)</u>	<u>16,454</u>	<u>6,682</u>
	(15,762)	37,999	125,334	137,833
Other comprehensive income for the period/year	<u>4,490</u>	<u>38,031</u>	<u>145,586</u>	<u>137,833</u>
Total comprehensive income for the period/year	<u>63,504</u>	<u>66,568</u>	<u>531,489</u>	<u>442,917</u>

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Profit attributable to:				
Equity holders of the Company	41,864	15,078	302,225	260,416
Non-controlling interests	17,150	13,459	83,678	44,668
Profit for the period/year	<u>59,014</u>	<u>28,537</u>	<u>385,903</u>	<u>305,084</u>
Total comprehensive income attributable to:				
Equity holders of the Company	46,354	53,109	447,811	398,249
Non-controlling interests	17,150	13,459	83,678	44,668
Total comprehensive income for the period/year	<u>63,504</u>	<u>66,568</u>	<u>531,489</u>	<u>442,917</u>
Earnings per ordinary share (sen)				
Basic/diluted, restated	0.86	0.31	5.22	4.36

Condensed Consolidated Statements Of Financial Position
As At 31 December 2022

	As at 31.12.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
Assets		
Property, plant and equipment	11,082,185	11,653,476
Investment properties	15,600	15,300
Concession assets	134,629	149,658
Intangible assets	2,527,206	2,835,597
Investments in associates	991,707	931,687
Investments in joint ventures	835,907	791,696
Other investments	2,484	2,484
Derivative financial assets	120,833	288,680
Trade and other receivables	11,435	264,540
Deferred tax assets	234,291	217,087
Total non-current assets	15,956,277	17,150,205
Trade and other receivables	2,083,668	796,058
Inventories	1,642,604	874,279
Current tax assets	64,143	76,220
Other investments	694,784	2,617,093
Cash and cash equivalents	1,537,586	1,568,819
Total current assets	6,022,785	5,932,469
Total assets	21,979,062	23,082,674
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	325,136	199,802
Accumulated losses	(358,471)	(399,172)
Equity attributable to owners of the Company	5,561,073	5,395,038
Perpetual sukuk	800,000	800,000
Non-controlling interests	334,745	311,688
Total equity	6,695,818	6,506,726
Liabilities		
Loans and borrowings	7,801,205	8,586,925
Lease liabilities	13,018	14,135
Employee benefits	78,766	110,331
Provision for decommissioning cost	207,846	158,333
Provision for concession assets	186,984	279,277
Deferred income	2,825,693	3,061,319
Derivative financial liabilities	106	7,106
Deferred tax liabilities	996,502	1,071,225
Total non-current liabilities	12,110,120	13,288,651

Condensed Consolidated Statements Of Financial Position
As At 31 December 2022

	As at 31.12.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
Trade and other payables	1,594,678	1,498,694
Current tax liabilities	99,229	58,576
Loans and borrowings	942,203	1,258,843
Lease liabilities	8,012	9,961
Provision for decommissioning cost	53,001	25,013
Provision for concession assets	143,775	48,085
Employee benefits	8,713	-
Deferred income	323,513	388,125
Total current liabilities	<u>3,173,124</u>	<u>3,287,297</u>
Total liabilities	<u>15,283,244</u>	<u>16,575,948</u>
Total equity and liabilities	<u>21,979,062</u>	<u>23,082,674</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.14	1.10

Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2022

	/----- Attributable to owners of the Company -----/								
	/----- Non-distributable -----/				Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Translation RM'000			Hedging RM'000						
At 1 January 2022	5,693,055	(98,647)	(5,975)	205,777	(399,172)	5,395,038	800,000	311,688	6,506,726
Remeasurement of defined benefit liabilities	-	-	-	-	20,252	20,252	-	-	20,252
Foreign currency translation differences for foreign operations	-	-	16,454	-	-	16,454	-	-	16,454
Cash flow hedge	-	-	-	2,584	-	2,584	-	-	2,584
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	106,296	-	106,296	-	-	106,296
Other comprehensive income for the year	-	-	16,454	108,880	20,252	145,586	-	-	145,586
Profit for the year	-	-	-	-	302,225	302,225	-	83,678	385,903
Comprehensive income for the year	-	-	16,454	108,880	322,477	447,811	-	83,678	531,489
Distribution to holder of perpetual sukuk	-	-	-	-	(47,200)	(47,200)	-	-	(47,200)
Dividends to owners of the Company	-	-	-	-	(234,576)	(234,576)	-	-	(234,576)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(58,195)	(58,195)
Redemption of preference shares to non-controlling interests	-	-	-	-	-	-	-	(2,426)	(2,426)
Total distribution to owners	-	-	-	-	(234,576)	(234,576)	-	(60,621)	(295,197)
At 31 December 2022	5,693,055	(98,647)	10,479	314,657	(358,471)	5,561,073	800,000	334,745	6,695,818

Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2022

	/----- Attributable to owners of the Company -----/								
	/----- Non-distributable -----/				Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
			Translation RM'000	Hedging RM'000					
At 1 January 2021	5,693,055	(98,647)	(12,657)	74,626	(348,468)	5,307,909	800,000	336,802	6,444,711
Foreign currency translation differences for foreign operations	-	-	6,682	-	-	6,682	-	-	6,682
Cash flow hedge	-	-	-	49,706	-	49,706	-	-	49,706
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	81,445	-	81,445	-	-	81,445
Other comprehensive income for the year	-	-	6,682	131,151	-	137,833	-	-	137,833
Profit for the year	-	-	-	-	260,416	260,416	-	44,668	305,084
Comprehensive income for the year	-	-	6,682	131,151	260,416	398,249	-	44,668	442,917
Distribution to holder of perpetual sukuk	-	-	-	-	(47,200)	(47,200)	-	-	(47,200)
Disposal of subsidiaries	-	-	-	-	-	-	-	(703)	(703)
Change in ownership interest in subsidiaries	-	-	-	-	(22)	(22)	-	(370)	(392)
Dividends to owners of the Company	-	-	-	-	(263,898)	(263,898)	-	-	(263,898)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(63,619)	(63,619)
Redemption of preference shares to non-controlling interests	-	-	-	-	-	-	-	(5,090)	(5,090)
Total distribution to owners	-	-	-	-	(263,898)	(263,898)	-	(68,709)	(332,607)
At 31 December 2021	5,693,055	(98,647)	(5,975)	205,777	(399,172)	5,395,038	800,000	311,688	6,506,726

**Condensed Consolidated Statements Of Cash Flows
For the Year Ended 31 December 2022**

	12 months ended 31.12.2022 RM'000 (Unaudited)	12 months ended 31.12.2021 RM'000 (Audited)
Cash flows from operating activities		
Profit before tax	736,771	469,567
Adjustments for :		
Non cash-items	1,907,373	1,577,290
Finance costs	607,932	682,623
Finance income	(85,312)	(107,627)
Share of profit of equity-accounted associates and joint ventures, net of tax	(276,418)	(196,551)
Operating profit before changes in working capital	<u>2,890,346</u>	<u>2,425,302</u>
<i>Changes in working capital:</i>		
Net change in current assets	(2,065,930)	(242,512)
Net change in current liabilities	(40,725)	149,992
Net change in non-current liabilities	(328,748)	(267,824)
Cash generated from operations	<u>454,943</u>	<u>2,064,958</u>
Tax paid, net	(397,925)	(262,505)
Net cash from operating activities	<u>57,018</u>	<u>1,802,453</u>
Cash flows from investing activities		
Additional investment in joint venture	(1,020)	-
Change in other investments	1,922,309	761,064
Disposal of subsidiaries, net of cash and cash equivalents disposed	-	(10)
Dividends received from associates	11,775	6,292
Dividends received from joint ventures	92,733	38,510
Interest received	84,535	107,989
Purchase of property, plant and equipment	(297,998)	(144,055)
Purchase of concession assets	(891)	(953)
Proceeds from disposal of property, plant and equipment	130	156
Proceeds from disposal of assets classified as held for sale	-	73,298
Net cash from investing activities	<u>1,811,573</u>	<u>842,291</u>
Cash flows from financing activities		
Acquisition of non-controlling interest	-	(392)
Distribution to perpetual sukuk holder	(47,200)	(47,200)
Dividends paid to owners of the Company	(234,576)	(263,898)
Dividends paid to non-controlling interests	(58,195)	(63,619)
Redemption of preference shares to non-controlling interests	(2,426)	(5,090)
Interest paid	(548,613)	(605,174)
Proceeds from borrowings	710,000	-
Repayment of borrowings	(1,707,818)	(1,142,505)
Payment of lease liabilities	(10,996)	(10,647)
Net cash used in financing activities	<u>(1,899,824)</u>	<u>(2,138,525)</u>
Net (decrease)/increase in cash and cash equivalents	(31,233)	506,219
Cash and cash equivalents at beginning of the period	<u>1,568,819</u>	<u>1,062,600</u>
Cash and cash equivalents at end of the period	<u><u>1,537,586</u></u>	<u><u>1,568,819</u></u>
Cash and cash equivalents comprise :		
Cash and bank balances	616,268	833,234
Deposits with licensed banks and other licensed corporations	921,318	735,585
	<u><u>1,537,586</u></u>	<u><u>1,568,819</u></u>

Notes to the interim financial statements

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, *Interim Financial Reporting* and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

The audited financial statements of the Group for the financial year ended 31 December 2021 were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The significant accounting policies adopted in these interim financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2021, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2022 as follows:

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*

The adoption of the above did not have any material impact on the financial statements of the Group.

2. Audit qualification

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

3. Seasonal or cyclical factors

The Group's operations have not been affected by seasonal or cyclical factors.

4. Unusual items

There was no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review because of its nature, size and incidence.

5. Changes in estimates

There was no material change in financial estimates made in prior financial year that could materially affect the current interim results.

6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter except for the scheduled repayment of Malakoff Power Berhad (“MPB”) sukuk programme of RM340.0 million.

7. Dividends paid

Since the end of previous financial year, the Company paid:

- i. A final dividend of 2.00 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM97,740,000 in respect of the financial year ended 31 December 2021 on 2 June 2022.
- ii. An interim dividend of 2.80 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM136,835,000 in respect of the financial year ended 31 December 2022 on 27 October 2022.

8. Segment reporting

The Group's segmental reporting for the financial year ended 31 December 2022 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
Revenue from external customers	9,346,037	-	9,346,037	872,812	136,301	-	136,301	-	-	-	10,355,150	-	10,355,150
Inter-segment revenue	-	-	-	-	1,291,400	117,265	1,408,665	(1,291,400)	(117,265)	(1,408,665)	-	-	-
Total segment revenue	9,346,037	-	9,346,037	872,812	1,427,701	117,265	1,544,966	(1,291,400)	(117,265)	(1,408,665)	10,355,150	-	10,355,150
Profit after tax	844,933	173,861	1,018,794	103,337	153,200	64,636	217,836	(564,339)	(389,725)	(954,064)	537,131	(151,228)	385,903

The Group's segmental reporting for the corresponding financial year ended 31 December 2021 is as follows:

	<u>Power generation</u>			Waste Management and Environmental Services	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
Revenue from external customers	5,521,843	-	5,521,843	827,513	113,728	-	113,728	-	-	-	6,463,084	-	6,463,084
Inter-segment revenue	-	-	-	-	1,360,610	29,102	1,389,712	(1,360,610)	(29,102)	(1,389,712)	-	-	-
Total segment revenue	5,521,843	-	5,521,843	827,513	1,474,338	29,102	1,503,440	(1,360,610)	(29,102)	(1,389,712)	6,463,084	-	6,463,084
Profit after tax	215,639	192,693	408,332	227,609	133,876	75,920	209,796	(448,158)	(92,495)	(540,653)	128,966	176,118	305,084

9. Property, plant and equipment

There was no valuation of property, plant and equipment during the current quarter ended 31 December 2022 except for the amounts carried forward pertaining to certain Group properties that had been revalued in the past.

10. Events subsequent to the end of current interim period

There was no material event subsequent to the end of the current quarter ended 31 December 2022.

11. Changes in composition of the Group

There was no change in the composition of the Group during the current quarter ended 31 December 2022.

12. Changes in contingent liabilities or contingent assets

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2021 except for the following bank guarantees issued to third parties:

	31.12.2022 RM'mil	31.12.2021 RM'mil
Company and subsidiaries	<u>537.4</u>	<u>310.5</u>

These guarantees mainly consist of performance bonds and security deposits for projects.

13. Capital commitments

Capital commitments of the Group not provided for in the interim financial report are as follows:

	31.12.2022 RM'mil	31.12.2021 RM'mil
Property, plant and equipment:		
Authorised and contracted for	58.1	81.3
Authorised but not contracted for	<u>1,037.2</u>	<u>481.0</u>
	<u>1,095.3</u>	<u>562.3</u>

14. Related party transactions

	31.12.2022 RM'mil	31.12.2021 RM'mil
Associated company:		
Interest income on unsecured subordinated loan notes	<u>12.2</u>	<u>16.1</u>

Additional information required by the Bursa Securities Listing Requirements**15. Review of performance****Quarter 4, 2022 vs Quarter 4, 2021**

For the quarter ended 31 December 2022, the Group recorded RM2,972.7 million in revenue, an increase of RM1,029.0 million or 52.9% from RM1,943.7 million reported in the corresponding quarter ended 31 December 2021, primarily due to higher energy payment recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) on the back of the higher applicable coal price (“ACP”).

The Group recorded significantly higher profit before taxation of RM161.3 million, an increase of RM96.7 million or 149.7% from RM64.6 million reported in the corresponding quarter ended 31 December 2021, primarily due to higher contribution from TBP given the higher ACP, absence of write-off of Segari Energy Ventures Sdn. Bhd. (“SEV”)’s deferred expense, insurance claims on Low-Pressure Turbine blade failure events which occurred at Tanjung Bin Energy Sdn. Bhd. (“TBE”)’s plant in fourth quarter of 2021 and higher share of profit from associates and joint ventures. However, these were partially offset by impairment loss on carrying value of investments Al-Hidd IWPP, a 40%-owned foreign associate in Bahrain and Kapar Energy Ventures Sdn. Bhd. (“KEV”), a 40%-owned local associate as well as lower contribution from Alam Flora Sdn. Bhd. (“AFSB”).

Year-to-date, 2022 vs Year-to-date, 2021

For the year ended 31 December 2022, the Group recorded RM10,355.2 million in revenue, an increase of RM3,892.1 million or 60.2% from RM6,463.1 million reported in the corresponding year ended 31 December 2021, primarily due to higher energy payments recorded from TBP and TBE on the back of the higher ACP.

The Group recorded higher profit before taxation of RM736.8 million, an increase of RM267.2 million or 56.9% from RM469.6 million reported in the corresponding year ended 31 December 2021, primarily due to higher contribution from TBP given the higher ACP, absence of write-off of SEV’s deferred expense, insurance claims on Low-Pressure Turbine blade failure events which occurred at TBE's plant and higher share of profit from associates and joint ventures. However, these were partially offset by impairment loss on carrying value of investments in Al-Hidd IWPP, a 40%-owned foreign associate and KEV, a 40%-owned local associate as well as lower contribution from AFSB.

16. Variation of results against immediate preceding quarter**Quarter 4, 2022 vs Quarter 3, 2022**

The Group recorded significantly lower profit before taxation of RM161.3 million in the current quarter compared with RM280.7 million in the immediate preceding quarter, primarily due to lower contribution from TBP which was impacted by the higher weighted average fuel costs, higher operation and maintenance costs, impairment loss on carrying value of investment in KEV, a 40%-owned local associate as well as lower contribution from AFSB. However, these were partially moderated by lower impairment loss on investment in Al-Hidd IWPP, a 40%-owned foreign associate, insurance claims on Low-Pressure Turbine blade failure events which occurred at TBE’s plant and higher share of profit from associates and joint ventures.

17. Current prospects

Malaysia's Gross Domestic Product ("GDP") grew by 7.0% in the fourth quarter of 2022 supported by continued expansion in domestic demand, sustained labour market recovery, resilient demand for Electrical and Electronics ("E&E") products and recovery in tourism activities. Overall, the Malaysian economy grew by 8.7% in 2022 and is expected to expand at a more moderate pace in 2023 amid a challenging external environment (*Source: BNM's Economic & Financial Developments in Malaysia in the Fourth Quarter of 2022*).

The Group continues to focus on driving operational excellence across all its power plants to enhance their reliability and efficiency. Tanjung Bin Energy ("TBE") power plant underwent a 55-day Scheduled Outage ("SO") and a 17-day Forced Outage ("FO") in October and December 2022, respectively. The plant carried out blades replacement and other rectification & maintenance works during this period. TBE has been operating in full capacity at 1,000 MW since beginning of this year to ensure maximum load delivery.

On the Renewable Energy front, the Group continues to make steady progress as a partner of choice for clients who are transitioning to green energy sources. On 2 December 2022, Malakoff Radiance Sdn Bhd signed a Solar Power Purchase Agreement ("SPPA") with Senai Airport. The solar photovoltaic ("PV") facility has a generating capacity of 0.615 MWp and is expected to commence operations by end of 2023. The built-in solar panels will contribute towards a carbon reduction of 555.2 tCO₂e per year, which is equivalent to a carbon sequestration of 14,236 trees.

Under the Environmental Solutions segment, Alam Flora Sdn Bhd ("Alam Flora") relaunched its service area transformation called the Grand 1 Supervisor 1 Transformation Area ("Grand 1S1T") on 28 January 2023. Grand 1S1T is an initiative by Alam Flora to make improvements in the concession areas in Kuala Lumpur, Putrajaya and Pahang. The improvement activities include repairing and painting of the garden facilities, cleansing activities in public places, tending playgrounds, back alleys and beach areas, as well as repairing gutter and sidewalk structures with minor damage. To date, the programme has benefitted 481 residential and commercial areas.

Based on the foregoing, the Group expects overall performance to remain satisfactory for the financial year ending 31 December 2023.

18. Profit before tax

Profit before tax is stated after (crediting)/charging the following items:

	3 months ended 31.12.2022	3 months ended 31.12.2021	Cumulative 12 months ended 31.12.2022	Cumulative 12 months ended 31.12.2021
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(19.2)	(19.4)	(85.3)	(107.6)
Finance costs	141.1	167.2	607.9	682.6
Depreciation	235.5	243.0	928.6	923.3
Amortisation of intangibles assets	80.6	80.6	320.0	320.2
Net (gain on reversal)/loss on impairment of financial instruments	-	(2.0)	12.2	16.4
Impairment loss on investment in associate	203.3	-	398.3	-
Write-off of other receivables	-	206.4	-	206.4
Property, plant and equipment written off	33.6	2.6	34.7	2.6
Net foreign exchange loss	2.9	0.2	2.3	0.1

19. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter.

20. Tax expense

	3 months ended 31.12.2022	3 months ended 31.12.2021	Cumulative 12 months ended 31.12.2022	Cumulative 12 months ended 31.12.2021
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	115.2	121.4	449.2	316.9
Deferred tax expense	(12.9)	(85.3)	(98.3)	(152.4)
Total tax expense	<u>102.3</u>	<u>36.1</u>	<u>350.9</u>	<u>164.5</u>

The Group's effective tax rate for the current financial year was higher than the statutory income tax rate primarily due to certain expenses not deductible for tax purposes and effect from a one-off prosperity tax.

21. Borrowings

	31.12.2022 RM'mil	31.12.2021 RM'mil
Current		
- Secured	942.2	1,258.9
Non-current		
- Secured	7,771.2	8,556.9
- Unsecured	30.0	30.0
	<u>7,801.2</u>	<u>8,586.9</u>
	<u>8,743.4</u>	<u>9,845.8</u>

The breakdown of Group borrowings by currency is as follows:

	31.12.2022 RM'mil	31.12.2021 RM'mil
Functional currency		
- RM	8,502.0	9,575.1
- USD	241.4	270.7
	<u>8,743.4</u>	<u>9,845.8</u>

22. Changes in material litigation

- i) *Proceedings by the Public Prosecutor of Algeria against Almiyah Attilemcania SpA ("AAS")*

There was no material change during the quarter under review.

- ii) *International Chamber of Commerce International Court of Arbitration ("ICC") Arbitration No. 24250/DDA between Algerian Energy Company SPA ("AEC" or "Claimant") and (1) Tlemcen Desalination Investment Company SAS ("TDIC"), (2) Hyflux Limited ("Hyflux") and (3) Malakoff Corporation Berhad ("MCB") (collectively "Respondents") in relation to Souk Tleta Seawater Desalination Plant in Tlemcen, Algeria*

In response to AEC's Statement of Claim dated 2 August 2021, MCB and TDIC had on 17 December 2021 filed their Statement of Defence, together with technical, quantum / financial and legal expert reports, refuting AEC's claims.

On 13 January 2022, Hyflux submitted a request for suspension of the arbitration in view of its liquidation process in Singapore. Upon consideration of the request and the responses from AEC as well as MCB and TDIC, the Arbitral Tribunal on 8 February 2022 decided to reject Hyflux's request and order the arbitration to continue.

On 1 April 2022, AEC wrote to MCB and TDIC requesting for a postponement of the procedural calendar which MCB and TDIC agreed to on 6 April 2022 and was acknowledged by the Tribunal on 7 April 2022. Hyflux conveyed their non objection to AEC's request on 8 April 2022.

On 19 April 2022, AEC provided its Statement of Reply dated 15 April 2022, its accompanying expert reports: 1) two technical expert reports, 2) one legal expert report, and 3) one quantum expert report, and exhibits to MCB/TDIC. MCB/TDIC had until 29 July 2022 to provide their rejoinder to AEC's Statement of Reply.

On 29 July 2022, MCB and TDIC filed their Rejoinder to AEC's Statement of Reply. To date, TDIC and MCB are not aware of whether Hyflux has filed, or will be filing, a Rejoinder.

On 9 September 2022, MCB, TDIC and AEC filed their respective list of experts that they intend to cross-examine during the Arbitral Hearing.

On 25 October 2022, parties and the Tribunal attended the Pre-Hearing Conference Call to discuss the proposed Procedural Order No. 8 and the Arbitral Hearing schedule.

The merits hearing of the ICC Arbitration took place in Paris from 21 November 2022 to 24 November 2022. Hyflux and its liquidators did not attend and were not represented at the Hearing.

Following discussion between AEC, MCB and TDIC's counsels, and as approved by the Tribunal, the deadline for the Post-Hearing Briefs has been fixed as 1 March 2023, and the deadline for the Statement of Costs as 20 March 2023.

- iii) *Singapore International Arbitration Centre Arbitration No. 278 of 2018*
Claim 1 (formerly Main Action) between Prai Power Sdn Bhd ("PPSB") (as Claimant) and (1) GE Energy Parts, Inc ("GE Energy Parts"), (2) GE Power Systems (Malaysia) Sdn Bhd ("GE Power Systems"), (3) General Electric International, Inc ("GE International"), and (4) General Electric Company ("GE") (collectively "GE Entities") (as Respondents); and
Claim 2 (formerly Third Party Claim) between GE Entities (as Claimants) and (1) Malakoff Power Berhad ("MPB"), and (2) Malakoff Corporation Berhad ("MCB") (collectively "Malakoff Entities") (as Respondents), in relation to Prai Power Plant

Following discussions among the parties to both Claim 1 and Claim 2, PPSB has on 3 January 2022 written to the Arbitral Tribunal to seek its approval of parties' proposed revisions to the procedural timetable in the arbitration. The Parties are awaiting the Arbitral Tribunal's approval of the revisions to the procedural timetable.

On 2 March 2022, the Tribunal has fixed 27 February-3 March 2023, 6-10 March 2023, and 13-15 March 2023 as new dates for the merits hearing. On 12 April 2022, the Tribunal approved the deadlines extensions sought by the Parties. The revised pre-hearing deadlines are as follows:

- (a) Filing of Witness Statements on 15 April 2022 (revised);
- (b) Filing of Reply Witness Statements on 24 June 2022 (revised);
- (c) Filing of Rebuttal Witness Statements and Exchange of Notice of Areas of Testimony of Expert Witnesses on 29 July 2022 (revised);
- (d) Filing of Experts Report on 5 September 2022;
- (e) Filing of Rebuttal Expert Reports on 31 October 2022;
- (f) Filing of Joint Expert Report(s) on 19 December 2022;

- (g) Filing of Agreed Chronology of Events, Agreed Dramatis Personae, Agreed Statement of Facts, Bundle of Witness Statements/Expert Reports, Core Bundle of Documents, and Common Bundle of Documents on 16 January 2023; and
- (h) Filing of List of Principal Issues, Written Opening Statements, and Bundle of Authorities on 30 January 2023.

On 15 April 2022, the Parties filed their respective Witness Statements. The next step in the arbitration is for the Parties to file their respective Reply Witness Statements by 24 June 2022.

On 24 June 2022, the Parties exchanged their respective Reply Witness Statements on each other and filed them with the Tribunal. The next step in the arbitration is for the Parties to file their Rebuttal Witness Statements and Exchange of Notice of Areas of Testimony of Expert Witnesses by 29 July 2022.

As of 26 July 2022, the prevailing pre-hearing deadlines, taking into account various extensions agreed by the Parties and approved by the Tribunal, are as follows:

- (a) Filing of Witness Statements on 15 April 2022 (revised), which has been completed;
- (b) Filing of Reply Witness Statements on 24 June 2022 (revised), which has been completed;
- (c) Filing of Rebuttal Witness Statements and Exchange of Notice of Areas of Testimony of Expert Witnesses on 29 July 2022 (revised);
- (d) Filing of Experts Report on 5 September 2022;
- (e) Filing of Rebuttal Expert Reports on 31 October 2022;
- (f) Filing of Joint Expert Report(s) on 19 December 2022;
- (g) Filing of Agreed Chronology of Events, Agreed Dramatis Personae, Agreed Statement of Facts, Bundle of Witness Statements/Expert Reports, Core Bundle of Documents, and Common Bundle of Documents on 16 January 2023; and
- (h) Filing of List of Principal Issues, Written Opening Statements, and Bundle of Authorities on 30 January 2023.

On 29 July 2022, the Parties served Rebuttal Witness Statements on each other and filed them with the Tribunal and gave notice of the areas of testimony on which they intend to adduce expert evidence. The next step in the arbitration is for the Parties to file their respective Experts Report by 5 September 2022.

On 19 September 2022, the Parties served their respective Expert Reports on each other and filed them with the Tribunal. The next step in the arbitration is for the Parties to file their respective Rebuttal Expert Reports by 14 November 2022.

As of 3 November 2022, the prevailing pre-hearing deadlines, taking into account various extensions agreed by the Parties and approved by the Tribunal, are as follows:

- (a) Filing of Witness Statements on 15 April 2022 (revised), which has been completed;
- (b) Filing of Reply Witness Statements on 24 June 2022 (revised), which has been completed;
- (c) Filing of Rebuttal Witness Statements and Exchange of Notice of Areas of Testimony of Expert Witnesses on 29 July 2022 (revised), which has been completed;
- (d) Filing of Experts Report on 5 September 2022, which has been completed;
- (e) Filing of Rebuttal Expert Reports on 14 November 2022 (revised);
- (f) Experts to meet by/on 28 November 2022;

- (g) Filing of Joint Expert Report(s) on 19 December 2022, with an option to extend to 9 January 2023 if required;
- (h) Filing of Agreed Chronology of Events, Agreed Dramatis Personae, Agreed Statement of Facts, Bundle of Witness Statements/Expert Reports, Core Bundle of Documents, and Common Bundle of Documents on 16 January 2023;
- (i) Filing of List of Principal Issues, Written Opening Statements, and Bundle of Authorities on 30 January 2023; and
- (j) Merits hearing on 27-28 February and 1-3, 6-10 and 13-15 March 2023.

On 18 November 2022, Parties submitted their respective rebuttal expert reports.

On 9 January 2023, PPSB submitted the Parties' experts' joint expert report.

Following discussion between the Tribunal and parties, the latest pre-hearing deadlines are as follows:

- (a) Filing of Witness Statements on 15 April 2022 (revised) which has been completed;
- (b) Filing of Reply Witness Statements on 24 June 2022 (revised) which has been completed;
- (c) Filing of Rebuttal Witness Statements and Exchange of Notice of Areas of Testimony of Expert Witnesses on 29 July 2022 (revised) which has been completed;
- (d) Filing of Experts Report on 19 September 2022 (revised) which has been completed;
- (e) Filing of Rebuttal Expert Reports on 18 November 2022 (revised) which has been completed;
- (f) Filing of Joint Expert Report on 9 January 2023 (extended) which has been completed;
- (g) Filing of Agreed Dramatis Personae, Bundle of Witness Statements, and Bundle of Pleadings on 16 January 2023 which has been completed;
- (h) Filing of Experts' (Further) Supplemental Notes by 25 January 2023;
- (i) Filing of Agreed Chronology of Events, Agreed Statement of Facts, Bundle of Expert Reports, Joint Core Bundle of Documents, and Common Bundle of Documents on 27 January 2023;
- (j) Filing of List of Principal Issues, Written Opening Statements, and Bundle of Authorities on 10 February 2023; and
- (k) Pre-Hearing Case Management Conference on 11 February 2023.

As for the dates of the merits hearing, due to scheduling issues which have arisen between the Tribunal and Parties, potential revised hearing dates are still being discussed. In any event, MPB/MCB's counsel, personnel and expert witnesses have reserved all dates from 27 February 2023 to 15 March 2023 pending final confirmation of the hearing dates.

23. Dividend Payable

Announcement on the final dividend for the financial year ended 31 December 2022 will be made upon the finalisation of the Audited Financial Statements in March 2023.

24. Earnings per ordinary share

	3 months ended 31.12.2022	3 months ended 31.12.2021	Cumulative 12 months ended 31.12.2022	Cumulative 12 months ended 31.12.2021
Basic/Diluted Earnings per Ordinary Share				
Profit for the period/year attributable to equity holders (RM mil)	41.9	15.1	302.2	260.4
Distribution to perpetual sukuk holder (RM mil)	-	-	(47.2)	(47.2)
Profit for the period/year attributable to ordinary shareholders (RM mil)	41.9	15.1	255.0	213.2
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic/diluted earnings per ordinary share (sen), restated [#]	0.86	0.31	5.22	4.36

Note[#] - The Group, having reconsidered the guidance provided by MFRS 133, Earnings Per Share (“EPS”) in respect of cumulative preference share, and after reassessment of the same, has included the distribution to the perpetual sukuk holder that is currently recorded in equity be accounted in the computation of Basic/Diluted EPS. In relation thereto, the adjustment has been made retrospectively.

25. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 23 February 2023.

By Order of the Board
 Noor Raniz bin Mat Nor (MAICSA No.7061903)
 Zaidatul Neezma binti Zainal Abidin (MACS 01677)
 Secretaries
 Kuala Lumpur
 23 February 2023