

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Period Ended 31 March 2024

	3 months ended 31.03.2024 RM'000 (Unaudited)	3 months ended 31.03.2023 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2024 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2023 RM'000 (Unaudited)
Revenue	2,280,113	2,285,148	2,280,113	2,285,148
Cost of sales	<u>(1,970,350)</u>	<u>(2,161,989)</u>	<u>(1,970,350)</u>	<u>(2,161,989)</u>
Gross profit	309,763	123,159	309,763	123,159
Other income	7,844	3,863	7,844	3,863
Administrative expenses	(57,346)	(62,262)	(57,346)	(62,262)
Other operating expenses	<u>(50,787)</u>	<u>(45,298)</u>	<u>(50,787)</u>	<u>(45,298)</u>
Results from operating activities	209,474	19,462	209,474	19,462
Finance income	<u>19,559</u>	<u>19,933</u>	<u>19,559</u>	<u>19,933</u>
Finance costs	<u>(131,251)</u>	<u>(143,454)</u>	<u>(131,251)</u>	<u>(143,454)</u>
Net finance costs	(111,692)	(123,521)	(111,692)	(123,521)
Share of profit of equity-accounted associates and joint ventures, net of tax	<u>21,996</u>	<u>19,622</u>	<u>21,996</u>	<u>19,622</u>
Profit/(Loss) before tax	119,778	(84,437)	119,778	(84,437)
Tax (expense)/benefit	<u>(41,417)</u>	<u>13,185</u>	<u>(41,417)</u>	<u>13,185</u>
Profit/(Loss) for the period	<u>78,361</u>	<u>(71,252)</u>	<u>78,361</u>	<u>(71,252)</u>
Other comprehensive income/(expense), net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	(2,527)	-	(2,527)	-
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	<u>(310)</u>	<u>(3,536)</u>	<u>(310)</u>	<u>(3,536)</u>
Share of gain/(loss) on hedging reserve of equity-accounted associates and joint ventures	2,067	(19,452)	2,067	(19,452)
Foreign currency translation differences for foreign operations	<u>9,183</u>	<u>2,134</u>	<u>9,183</u>	<u>2,134</u>
	10,940	(20,854)	10,940	(20,854)
Other comprehensive income/(expense) for the period	<u>8,413</u>	<u>(20,854)</u>	<u>8,413</u>	<u>(20,854)</u>
Total comprehensive income/(expense) for the period	<u>86,774</u>	<u>(92,106)</u>	<u>86,774</u>	<u>(92,106)</u>

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Profit/(Loss) attributable to:				
Equity holders of the Company	62,200	(75,689)	62,200	(75,689)
Non-controlling interests	16,161	4,437	16,161	4,437
Profit/(Loss) for the period	<u>78,361</u>	<u>(71,252)</u>	<u>78,361</u>	<u>(71,252)</u>
Total comprehensive income/(expense) attributable to:				
Equity holders of the Company	70,613	(96,543)	70,613	(96,543)
Non-controlling interests	16,161	4,437	16,161	4,437
Total comprehensive income/(expense) for the period	<u>86,774</u>	<u>(92,106)</u>	<u>86,774</u>	<u>(92,106)</u>
Earnings/(Loss) per ordinary share (sen)				
Basic/diluted	0.79	(2.03)	0.79	(2.03)

Condensed Consolidated Statements Of Financial Position
As At 31 March 2024

	As at 31.03.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Assets		
Property, plant and equipment	10,396,075	10,454,238
Right-of-use assets	102,008	104,002
Investment properties	16,400	16,400
Concession assets	119,712	122,831
Intangible assets	2,191,759	2,260,095
Investments in associates	604,413	586,110
Investments in joint ventures	758,696	745,099
Other investments	2,484	2,484
Derivative financial assets	-	24,309
Trade and other receivables	10,922	9,081
Deferred tax assets	292,372	275,475
Total non-current assets	14,494,841	14,600,124
Derivative financial assets	69,208	69,991
Trade and other receivables	1,747,102	1,563,347
Inventories	866,229	846,937
Current tax assets	164,041	163,639
Other investments	806,946	485,596
Cash and cash equivalents	1,949,521	2,571,016
	5,603,047	5,700,526
Assets classified as held-for-sale	688	-
Total current assets	5,603,735	5,700,526
Total assets	20,098,576	20,300,650
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	345,168	334,228
Accumulated losses	(1,402,753)	(1,438,891)
Equity attributable to owners of the Company	4,536,823	4,489,745
Perpetual sukuk	800,000	800,000
Non-controlling interests	243,123	257,102
Total equity	5,579,946	5,546,847
Liabilities		
Loans and borrowings	7,620,512	7,878,379
Lease liabilities	10,489	11,511
Employee benefits	86,478	88,065
Provision for decommissioning costs	229,697	227,080
Provision for concession assets	128,088	126,851
Deferred income	2,465,074	2,604,748
Deferred tax liabilities	886,809	849,949
Total non-current liabilities	11,427,147	11,786,583

Condensed Consolidated Statements Of Financial Position
As At 31 March 2024

	As at 31.03.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
Trade and other payables	1,530,024	1,453,572
Current tax liabilities	11,106	10,633
Loans and borrowings	893,755	926,700
Lease liabilities	4,124	4,520
Provision for decommissioning costs	52,070	52,735
Provision for concession assets	202,447	202,447
Employee benefits	7,423	7,329
Deferred income	390,534	309,284
Total current liabilities	<u>3,091,483</u>	<u>2,967,220</u>
Total liabilities	<u>14,518,630</u>	<u>14,753,803</u>
Total equity and liabilities	<u><u>20,098,576</u></u>	<u><u>20,300,650</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.93	0.92

Condensed Consolidated Statement of Changes in Equity
As At 31 March 2024

	/----- 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 2024	5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847
Remeasurement of defined benefit liabilities	-	-	-	-	(2,527)	(2,527)	-	-	(2,527)
Foreign currency translation differences for foreign operations	-	-	9,183	-	-	9,183	-	-	9,183
Cash flow hedge	-	-	-	(310)	-	(310)	-	-	(310)
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	2,067	-	2,067	-	-	2,067
Other comprehensive income/(expense) for the period	-	-	9,183	1,757	(2,527)	8,413	-	-	8,413
Profit for the period	-	-	-	-	62,200	62,200	-	16,161	78,361
Comprehensive income for the period	-	-	9,183	1,757	59,673	70,613	-	16,161	86,774
Distribution to holder of perpetual sukuk	-	-	-	-	(23,535)	(23,535)	-	-	(23,535)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(30,140)	(30,140)
At 31 March 2024	5,693,055	(98,647)	45,624	299,544	(1,402,753)	4,536,823	800,000	243,123	5,579,946

Condensed Consolidated Statement of Changes in Equity
As At 31 March 2024

	/----- Attributable to owners of the Company -----/					Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	/----- Non-distributable -----/		Distributable						
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000				
		Translation RM'000	Hedging RM'000						
At 1 January 2023	5,693,055	(98,647)	10,479	314,657	(358,471)	5,561,073	800,000	334,745	6,695,818
Foreign currency translation differences for foreign operations	-	-	2,134	-	-	2,134	-	-	2,134
Cash flow hedge	-	-	-	(3,536)	-	(3,536)	-	-	(3,536)
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(19,452)	-	(19,452)	-	-	(19,452)
Other comprehensive income/(expense) for the period	-	-	2,134	(22,988)	-	(20,854)	-	-	(20,854)
(Loss)/Profit for the period	-	-	-	-	(75,689)	(75,689)	-	4,437	(71,252)
Comprehensive income/(expense) for the period	-	-	2,134	(22,988)	(75,689)	(96,543)	-	4,437	(92,106)
Distribution to holder of perpetual sukuk	-	-	-	-	(23,406)	(23,406)	-	-	(23,406)
At 31 March 2023	5,693,055	(98,647)	12,613	291,669	(457,566)	5,441,124	800,000	339,182	6,580,306

Condensed Consolidated Statements Of Cash Flows
As At 31 March 2024

	3 months ended 31.03.2024 RM'000 (Unaudited)	3 months ended 31.03.2023 RM'000 (Unaudited)
Cash flows from operating activities		
Profit/(Loss) before tax	119,778	(84,437)
Adjustments for :		
Non cash-items	510,424	303,752
Finance costs	131,251	143,454
Finance income	(19,559)	(19,933)
Share of profit of equity-accounted associates and joint ventures, net of tax	(21,996)	(19,622)
Operating profit before changes in working capital	<u>719,898</u>	<u>323,214</u>
<i>Changes in working capital:</i>		
Net change in current assets	(228,436)	774,108
Net change in current liabilities	(88,518)	337,185
Net change in non-current liabilities	(59,383)	(79,077)
Cash generated from operations	<u>343,561</u>	<u>1,355,430</u>
Tax paid, net	(24,659)	(122,111)
Net cash from operating activities	<u>318,902</u>	<u>1,233,319</u>
Cash flows from investing activities		
Change in other investments	(321,350)	(237,666)
Interest received	18,094	18,448
Purchase of property, plant and equipment	(163,127)	(48,236)
Net cash used in from investing activities	<u>(466,383)</u>	<u>(267,454)</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(23,535)	(23,406)
Dividends paid to the non-controlling interest	(30,140)	-
Interest paid	(133,169)	(160,890)
Repayment of borrowings	(285,996)	(138,400)
Payment of lease liabilities	(1,174)	(2,686)
Net cash used in financing activities	<u>(474,014)</u>	<u>(325,382)</u>

Condensed Consolidated Statements Of Cash Flows
As At 31 March 2024

	3 months ended 31.03.2024 RM'000 (Unaudited)	3 months ended 31.03.2023 RM'000 (Unaudited)
Net (decrease)/increase in cash and cash equivalents	(621,495)	640,483
Cash and cash equivalents at beginning of the period	2,571,016	1,539,630
Cash and cash equivalents at end of the period	<u>1,949,521</u>	<u>2,180,113</u>
Cash and cash equivalents comprise :		
Cash and bank balances	981,290	1,253,277
Deposits with licensed banks and other licensed corporations	968,231	926,836
	<u>1,949,521</u>	<u>2,180,113</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 2023 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 2023 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 2023, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024 as follows:

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

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 2023 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 following:

- i) Scheduled repayment of Tanjung Bin Energy Sdn. Bhd. (“TBE”) sukuk programme of RM60.0 million;
- ii) Scheduled repayment of Tanjung Bin Energy Issuer Berhad (“TBEI”) senior USD term loan of USD20.8 million; and
- iii) Scheduled repayment and partial prepayment of Malakoff International Limited (“MIL”) USD term loan of USD7.0 million and USD27.0 million, respectively.

7. Dividends paid

There was no dividend paid during the current quarter ended 31 March 2024.

8. Segment reporting

The Group's segmental reporting for the financial period ended 31 March 2024 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u> <u>RM'000</u>	<u>Foreign</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>	<u>Local</u> <u>RM'000</u>	<u>Local</u> <u>RM'000</u>	<u>Foreign</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>	<u>Local</u> <u>RM'000</u>	<u>Foreign</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>	<u>Local</u> <u>RM'000</u>	<u>Foreign</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Revenue from external customers	2,016,404	-	2,016,404	219,236	44,473	-	44,473	-	-	-	2,280,113	-	2,280,113
Inter-segment revenue	-	-	-	-	172,258	120,560	292,818	(172,258)	(120,560)	(292,818)	-	-	-
Total segment revenue	2,016,404	-	2,016,404	219,236	216,731	120,560	337,291	(172,258)	(120,560)	(292,818)	2,280,113	-	2,280,113
Profit/(Loss) after tax	161,357	22,283	183,640	29,900	(79,593)	118,589	38,996	(50,261)	(123,914)	(174,175)	61,403	16,958	78,361

The Group's segmental reporting for the financial period ended 31 March 2023 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue from external customers	2,021,890	-	2,021,890	220,704	42,554	-	42,554	-	-	-	2,285,148	-	2,285,148
Inter-segment revenue	-	-	-	-	133,202	-	133,202	(133,202)	-	(133,202)	-	-	-
Total segment revenue	2,021,890	-	2,021,890	220,704	175,756	-	175,756	(133,202)	-	(133,202)	2,285,148	-	2,285,148
(Loss)/Profit after tax	11,019	17,459	28,478	28,750	(72,359)	(1,634)	(73,993)	(51,739)	(2,748)	(54,487)	(84,329)	13,077	(71,252)

9. Property, plant and equipment

There was no revaluation of property, plant and equipment during the current quarter ended 31 March 2024 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 the current interim period

There was no material event subsequent to the end of the current quarter ended 31 March 2024.

11. Changes in composition of the Group

On 8 March 2024, Tunas Pancar Sdn. Bhd., a wholly-owned subsidiary of the Group, completed the incorporation of Genesis Facility Solutions Sdn. Bhd. (“Genesis”), a private company limited by shares under the Companies Act 2016. Genesis was incorporated to carry out the business of facility management. The share capital of Genesis is RM2 comprising 2 ordinary shares which have been issued and fully paid up.

Save for the above, there was no change in the composition of the Group for the current quarter ended 31 March 2024.

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 2023 except for the following bank guarantees issued to third parties:

	31.03.2024	31.12.2023
	RM'mil	RM'mil
Company and subsidiaries	<u>834.6</u>	<u>834.4</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:

	31.03.2024	31.12.2023
	RM'mil	RM'mil
Property, plant and equipment:		
Authorised and contracted for	1,163.9	509.9
Authorised but not contracted for	<u>825.0</u>	<u>994.1</u>
	<u>1,988.9</u>	<u>1,504.0</u>

Additional information required by the Bursa Securities Listing Requirements**14. Review of performance****Quarter 1, 2024 vs Quarter 1, 2023**

For the quarter ended 31 March 2024, the Group recorded RM2,280.1 million in revenue, a slight decrease of RM5.0 million or 0.2% from RM2,285.1 million reported in the corresponding quarter ended 31 March 2023, primarily due to lower energy payment recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) and Tanjung Bin Energy Sdn. Bhd. (“TBE”) in line with the decline in applicable coal price (“ACP”). However, these were partially moderated by higher energy payment recorded from Segari Energy Ventures Sdn. Bhd. (“SEV”) given the higher despatch factor.

The Group recorded profit before taxation of RM119.8 million in the current quarter, a significant increase of RM204.2 million from loss before taxation of RM84.4 million reported in the corresponding quarter ended 31 March 2023, primarily attributed to improved contributions from TBP and TBE plants given the lower weighted average coal costs following stabilisation of global coal prices coupled with lower finance costs.

15. Variation of results against immediate preceding quarter**Quarter 1, 2024 vs Quarter 4, 2023**

The Group recorded profit before taxation of RM119.8 million in the current quarter as compared with loss before taxation of RM309.8 million reported in the immediate preceding quarter, primarily attributed to improved contributions from TBP and TBE plants given the lower weighted average coal costs following stabilisation of global coal prices, absence of the substantial share of loss from Al-Hidd IWPP, a 40% foreign associate in Bahrain and absence of impairment loss on the Group’s carrying value of investment in Al-Hidd IWPP.

16. Current prospects

Malaysia’s Gross Domestic Product (“GDP”) grew at a higher rate of 4.2% in the first quarter 2024 (4Q 2023: 2.9%), supported by higher household spending, exports turnaround and higher tourist arrivals, improving labour market conditions and stronger investment activities (*source: Bank Negara Malaysia (BNM)’s Economic & Financial Developments*). BNM expects full-year economic growth of 4% -5% in 2024.

The Group continues to enhance operational efficiency and undertake regular preventive maintenance to ensure reliability and stability of its power plants. Tanjung Bin Power Sdn. Bhd. (“TBP”) underwent a 73-day scheduled outage during the period under review as part of the Group’s planned maintenance works. Peninsular Malaysia’s grid hit an all-time high of 20,028 MW on 29 April 2024 (as reported by the Grid System Operator), signifying increased demand and the need for higher despatch to meet energy requirements.

Malakoff’s decarbonisation efforts are well underway as TBP’s biomass co-firing project, which has been identified as a flagship catalyst project under the National Energy Transition Roadmap (“NETR”), makes significant headway. The installation works and testing & commissioning activities of the 2% biomass co-firing system were successfully completed on 8 March 2024, leading to the full operationalization of the system on 1 April 2024. The biomass co-firing ratio will gradually increase to 3%-5% by next year, with a target of reaching at least 15% by 2027.

On 1 March 2024, Alam Flora Environmental Solutions Sdn. Bhd. (“AFES”) commenced the provision of Integrated Facility Management Services (“IFM”) for a period of 2 years at the Integrated Business Centre, Chuping Perlis for Northern Corridor Economic Region (“NCER”). The engagement encompasses hard and soft IFM services as well as security services.

In terms of renewable energy segment, Malakoff Radiance Sdn. Bhd. (“MRSB”), a wholly-owned subsidiary, has further secured 10.26 MWp for the development, operation and maintenance of rooftop solar systems as well as carbon-free mobility infrastructure.

Based on the foregoing, the Group expects overall performance to remain satisfactory for the financial year ending 31 December 2024.

17. Profit/(Loss) before tax

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

	3 months ended 31.03.2024	3 months ended 31.03.2023	Cumulative 3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(19.6)	(19.9)	(19.6)	(19.9)
Finance costs	131.3	143.5	131.3	143.5
Depreciation	200.2	200.2	200.2	200.2
Amortisation of intangibles assets	72.6	72.6	72.6	72.6
Net foreign exchange loss/(gain)	0.1	(0.2)	0.1	(0.2)

18. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 31 March 2024.

19. Tax expense/(benefit)

	3 months ended 31.03.2024	3 months ended 31.03.2023	Cumulative 3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2023
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	21.3	26.0	21.3	26.0
Deferred tax expense	20.1	(39.2)	20.1	(39.2)
Total tax expense/(benefit)	<u>41.4</u>	<u>(13.2)</u>	<u>41.4</u>	<u>(13.2)</u>

The Group’s effective tax rate for the current quarter under review was higher than the statutory income tax rate due to certain expenses not deductible for tax purposes.

20. Status of corporate proposal announced

- i) Share Sale and Purchase agreement (“SSPA”) with Metacorp Berhad for the proposed acquisition of 49% equity interest in E-Idaman Sdn. Bhd. (“E-Idaman”)

On 27 October 2023, Tuah Utama Sdn. Bhd. (“TUSB”), a wholly-owned subsidiary of the Company, had entered into a conditional Share Sale and Purchase agreement (“SSPA”) with Metacorp Berhad for the proposed acquisition of 49% equity interest in E-Idaman Sdn. Bhd. (“E-Idaman”) for a purchase consideration of RM133,200,000 (“Proposed Acquisition”). The principal activities of E-Idaman are that of investment holding and the provision of project management, consultancy and contracting services in the field of solid waste management. E-Idaman through its wholly-owned subsidiary, Environment Idaman Sdn. Bhd. provides waste collection and disposal services for municipal wastes under a 22-year concession granted by the Government of Malaysia for the provision of solid waste collection and public cleansing management services in Kedah and Perlis.

On 26 April 2024, the parties have agreed to further extend the cut-off date for the Proposed Acquisition for a period of three (3) months to 26 July 2024 to fulfil the Conditions Precedent in the SSPA.

- ii) Share Sale and Purchase agreement (“SSPA”) with Zelleco Engineering Sdn. Bhd. (“Zelleco”) for the proposed acquisitions of the remaining 51% and 49% equity interests in ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd.

On 23 May 2024, Malakoff Corporation Berhad (“MCB”) entered into a conditional Share Sale and Purchase agreement (“SSPA”) with Zelleco Engineering Sdn. Bhd. (“Zelleco”) for the proposed acquisitions of the remaining 51% and 49% equity interests in ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd., respectively with a total purchase consideration of RM27,000,000 (“Proposed Acquisitions”). The Proposed Acquisitions are subject to the fulfilment of the conditions precedent in the SSPA.

Upon completion of the Proposed Acquisitions, both ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. will become wholly owned subsidiaries of MCB.

Save for the above, there was no other corporate proposal announced up to the date of this announcement.

21. Borrowings

	31.03.2024	31.12.2023
	RM'mil	RM'mil
Current		
- Secured	863.8	896.7
- Unsecured	30.0	30.0
	<u>893.8</u>	<u>926.7</u>
Non-current		
- Secured	<u>7,620.5</u>	<u>7,878.3</u>
	<u><u>8,514.3</u></u>	<u><u>8,805.0</u></u>

The breakdown of Group borrowings by currency is as follows:

	31.03.2024	31.12.2023
	RM'mil	RM'mil
Functional currency		
- RM	8,245.3	8,292.1
- USD	269.0	512.9
	<u>8,514.3</u>	<u>8,805.0</u>

22. Changes in material litigation

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

On 24 September 2018, Allianz General Insurance Company (Malaysia) Berhad initiated the arbitration as a subrogated action, in the name of PPSB, against GE Entities, in relation to an incident on or about 18 July 2015 (“2015 Incident”) which resulted in damage to a gas turbine at PPSB’s 350MW Combined Cycle Gas Turbine Power Plant situated in Prai, Penang (“Prai Power Plant”).

PPSB alleged that GE Entities breached the duty to exercise reasonable care and skill to properly design, manufacture, supply and install a GE 109FA single shaft gas turbine at the Prai Power Plant. By reason of the alleged breach, PPSB claims for, among others, loss and damages in the sum of RM72,094,050 from GE Entities.

On 9 August 2019, GE Entities filed a Joinder Application, seeking to join Malakoff Entities as parties to GE Entities' Counterclaim, alleging that:

- a) the commencement of the arbitration constitutes a breach of the SRA, in respect of which Malakoff Entities are liable;
- b) Malakoff Entities are liable to indemnify GE Entities against any liability under the arbitration; and
- c) if GE Entities are found liable for the 2015 Incident, MPB is liable for contributory negligence as the operator of the Prai Power Plant.

On 20 June 2020, the Arbitral Tribunal granted the Joinder Application to join Malakoff Entities as the Respondents in Claim 2 of GE Entities.

Following the passing of a member of the Arbitral Tribunal on 29 January 2023 and the consequential appointment of the substitute co-arbitrator on 17 March 2023, the hearing had been rescheduled to take place from 7 March 2024 to 20 March 2024.

On 10 January 2024, one of the members of the Arbitral Tribunal had decided to withdraw himself as a co-arbitrator due to unexpected health complications.

On 22 January 2024, the Arbitral Tribunal confirmed that the previously scheduled hearing dates from 7 March 2024 to 20 March 2024 have been vacated.

On 26 February 2024, the SIAC appointed a substitute co-arbitrator.

On 28 February 2024, the Presiding Arbitrator requested the parties' counsel to propose alternate sets of hearing dates for the Arbitral Tribunal's consideration.

On 13 May 2024, the Arbitral Tribunal confirmed that the arbitration hearing has been scheduled to be held from 23 July 2025 to 8 August 2025.

Save for the above, there has been no significant change in material litigation, including the status of the pending material litigation in respect of the Company and its subsidiaries during the current quarter under review.

23. Dividend Payable

No interim dividend has been recommended by the Directors for the quarter ended 31 March 2024 (31 March 2023: Nil).

On 13 March 2024, the Board of Directors has approved and declared a final dividend of 1.50 sen per ordinary share in respect of the financial year ended 31 December 2023. The final dividend will be paid on 29 May 2024 to shareholders registered in the records of depositors at the close of business on 30 April 2024.

24. Earnings/(Loss) per ordinary share

	3 months ended 31.03.2024	3 months ended 31.03.2023	Cumulative 3 months ended 31.03.2024	Cumulative 3 months ended 31.03.2023
Basic/Diluted Earnings/(Loss) per Ordinary Share				
Profit/(Loss) for the period attributable to equity holders (RM mil)	62.2	(75.7)	62.2	(75.7)
Distribution to perpetual sukuk holder (RM mil) [#]	(23.5)	(23.4)	(23.5)	(23.4)
Profit/(Loss) for the period attributable to ordinary shareholders (RM mil)	38.7	(99.1)	38.7	(99.1)
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic/diluted earnings/(loss) per ordinary share (sen)	0.79	(2.03)	0.79	(2.03)

Note[#] - The distribution to perpetual sukuk holder is classified as equity in the financial statement based on the underlying of issuing terms of the sukuk program.

25. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 29 May 2024.

By Order of the Board
Noor Raniz bin Mat Nor (MAICSA No.7061903)
Zaidatul Neezma binti Zainal Abidin (MACS 01677)
Secretaries
Kuala Lumpur
29 May 2024