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MALAKOFF LAUNCHES BIOMASS CO-FIRING PROJECT TO ACCELERATE MALAYSIA'S NATIONAL ENERGY TRANSITION ROADMAP

Kuala Lumpur, Malaysia – 26 May 2024: Malakoff Corporation Berhad (“Malakoff”) launched its Biomass Co-Firing project today at its 2,100 MW coal-fired Tanjung Bin Power Plant (“TBPP”) in Pontian, Johor. This initiative, a flagship project of the National Energy Transition Roadmap (“NETR”), demonstrates Malakoff’s commitment to supporting the National target of reducing carbon intensity by 45% by 2030 and increasing the Renewable Energy (“RE”) capacity mix from 40% to 70% by 2050.

Deputy Prime Minister and Minister of Energy Transition and Water Transformation (“PETRA”), Yang Amat Berhormat Dato' Sri Haji Fadillah Haji Yusof, launched the project during his working visit to TBPP. Malakoff’s Chairman, Yang Berbahagia Tan Sri Dr. Ahmad Tajuddin Ali, Malakoff’s Managing Director & Group Chief Executive Officer, Encik Anwar Syahrin Abdul Ajib hosted the visit along with other energy industry stakeholders.

This flagship initiative aims to co-fire up to 15% biomass with coal at TBPP by 2027. After successfully completing a trial run with up to 0.5% biomass co-firing in December 2022, Malakoff completed the construction and commissioning of its 2% biomass co-firing installation in the first quarter of 2024, with the plan to increase further to 3% to 5% in 2025, ultimately reaching a target capacity of at least 15% by 2027.

The full-phase implementation of 15% biomass co-firing with coal is estimated to offset a significant amount of carbon dioxide equivalent (“CO₂e”) emissions that is comparable to 141,536,250 of matured trees planted. It is also intended to enhance grid stability and align with Malaysia's commitment to a Just Energy Transition (“JET”), aiming for an equitable shift to a greener economy, inclusive opportunities, meaningful employment and addressing the Energy Trilemma of security, sustainability, and affordability.

Malakoff is currently actively exploring cutting-edge Japanese and European technologies in biomass co-firing and handling equipment to optimise efficiency during the commercial phase. Innovations such as ‘*smart silo systems*’, capable of storing multiple types of biomass fuel, and the utilisation of torrefied pellets, are being considered to streamline operations. These advancements have the potential to decrease our dependency on coal firing as the primary fuel source for our power plants, reflecting our commitment to adopting new technologies for sustainable energy solutions.

Encik Anwar Syahrin Abdul Ajib believes this initiative is a crucial step forward for the company to enhance the Nation’s energy security while reducing carbon emissions.

He states, "Recognising the importance of sustaining our contribution to Malaysia’s economic growth and ensuring energy security, especially with our 21% share of Peninsular Malaysia’s

generation capacity, we made a decisive move. To remain relevant in the power industry, we are committed to transitioning to renewables and neutralising our carbon footprint, responding to the growing emphasis on sustainability and ESG principles."

"In our thermal business, we have been focusing on increasing biomass co-firing capacity. By continuously evaluating alternative biomass fuels, we aim to gradually elevate co-firing ratios, targeting a minimum of 15% co-firing readiness by 2027. Ensuring the operational reliability of our plants still remains a priority, achieved through rigorous due diligence and planned maintenance outages. This approach not only enhances the stability of Malakoff's facilities but also leverages and further develops our experienced technical skills."

"Earlier this year, we held a full-day workshop on 'Bioenergy and Biomass Co-firing in Coal Power Plants' for teams from operations, maintenance, and engineering where it provided comprehensive awareness for our plant operators, ensuring smooth operations and equipping them with the necessary knowledge to address potential hazards associated with biomass fuel handling and storage. This commitment not only improves the overall stability of our facilities but also ensures an uninterrupted supply of electricity for the Nation."

This significant endeavor falls within Malakoff's business pillar, Malakoff Energy, which guarantees dependable and cost-effective energy supply through quality energy management services, while also promoting energy conservation and effectiveness. Moreover, it resonates with the United Nations Sustainable Development Goals ("UN SDGs") No. 7, aiming to provide universal access to affordable, reliable, sustainable, and modern energy, and UN SDG No. 13, which emphasises urgent action to combat climate change and its repercussions. This initiative also aligns with Malakoff's overarching mission of '*Enhancing Life, Enriching Communities*'.

ABOUT MALAKOFF CORPORATION BERHAD

A sustainably-driven multinational energy generation and environmental solutions company, Malakoff is committed to enhancing lives and enriching communities. It is Malaysia's largest Independent Power Producer ("IPP") with a generating capacity of 6,953 MW through domestic thermal plants. The Group's Renewable Energy portfolio stands at 168 MW, mainly comprising large-scale solar, rooftop solar and small hydro projects. Through its subsidiary, Alam Flora Sdn Bhd, Malakoff is also one of the country's leading environmental services companies, managing waste volume of 4,386 tonnes per day.

Malakoff has established an international footprint of innovative solutions, notably through its power generation and water desalination ventures in Saudi Arabia, Bahrain, and Oman.

Currently in its next transformational stage, Malakoff is driving change to realise the Nation's ambitions of carbon neutrality and a circular economy through its three core entities; Malakoff Green Solutions for renewables through solar, small hydro, biogas, biomass and carbon-free mobility infrastructure; Malakoff Environmental Solutions for solid waste management and public cleansing, infrastructure cleaning and waste solutions, integrated facility management, recycling, marine and hazardous waste solutions, water desalination and Waste-to-Energy projects; and Malakoff Energy for thermal power generation assets, operations and maintenance, electricity distribution and district cooling system.

In its pursuit of a cleaner and greener world, Malakoff is dedicated towards fostering collaboration, sharing of knowledge, and leveraging collective expertise to create a more sustainable and resilient future for all. For more information about Malakoff, please visit www.malakoff.com.my.

For further information, please contact:
Suriati Mohammad Mokhtar
Head, Group Communications & Branding
Malakoff Corporation Berhad

Mobile: +6012-226 5799
Email: suriati.mokhtar@malakoff.com.my