



**NEWS RELEASE
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MALAKOFF'S 350MW PRAI POWER PLANT EXTENDED TO SUPPORT MALAYSIA'S GROWING ENERGY DEMAND

KUALA LUMPUR, Malaysia – 23 August 2024: Prai Power Sdn Bhd (“PPSB”), a subsidiary of Malakoff Corporation Berhad (“Malakoff”), has signed a new Power Purchase Agreement (“PPA”) with Tenaga Nasional Berhad (“TNB”), to enable continued operation of its 350MW combined cycle gas turbine power plant (“CCPP”), Prai Power Plant (“PPP”) located in Penang, for another one year with an option for further extension in the future. With the commencement of the Scheduled Commercial Operation Date on 1 September 2024, this essentially ensures a stable and reliable energy supply to meet the current increasing demand while enhancing energy security with a safe and sufficient reserve margin.

Strategically positioned within the national grid network at the northern region's load centre, PPP began operations in 2003, utilising an advanced single-shaft CCPP which was the first of its kind at the time, not only in Malaysia but also in Southeast Asia. This single-shaft technology provides PPP with a distinct advantage, offering a relatively higher thermal efficiency and a lower heat rate compared to coal-fired power plants. Higher plant efficiency allows for optimised fuel consumption, thereby lowering its carbon footprint.

Throughout its commercial operations for 21 years prior to the expiry of its existing PPA, PPP had been one of the most reliable and cost-competitive power plants supporting the national grid, with approximately 2 million megawatt hour of energy generated annually. It had incorporated several technological upgrades for its plant equipment such as its gas turbine and heat recovery steam generator, to further improve its reliability and readiness towards changing operational flexibility especially with the increasing penetration of renewables in the recent years.

Speaking on this extension, Malakoff's Managing Director & Group Chief Executive Officer Encik Anwar Syahrin Abdul Ajib emphasised that the execution of this new PPA for PPP is the most economically viable and fastest solution to support the national grid, while enabling the plant to continue its operations within its remaining service life. This reinforces Malakoff's commitment to supporting the Nation by ensuring secure, affordable and sustainable energy supply at all times.

“As Malaysia aims to increase Renewable Energy (“RE”) capacity to 40% by 2035 and 70% by 2050 under the National Energy Transition Roadmap (“NETR”), it is vital to balance security, affordability and sustainability – the key elements of the energy trilemma. PPP, a proven and efficient single-shaft CCPP, plays a crucial role in this transition. In leveraging its remaining service life, PPP allows for optimised fuel consumption, simultaneously reducing carbon footprint with its higher efficiency and lower heat rate compared to coal-fired power plants. Its

reliable operation track record ensures continuous and stable energy supply to support the Nation's pressing growth of energy demand.”

PPP is dedicated to following environmental regulations and reducing its carbon footprint through strict emission limits, effective waste management, energy efficiency and adherence to industry certifications and standards. PPP has always been actively engaged in Corporate Social Responsibility (“CSR”) initiatives, including community development, educational programmes and environmental conservation. These efforts not only benefit the local community but also strengthen ties with stakeholders. PPP has also earned recognition for its commitment to safety, winning the National Council for Occupational Safety and Health (“NCOSH”) Safety Award in 2004 and 2017, as well as the Malaysian Society for Industrial Safety (“MSOSH”) Gold Merit between 2018 and 2022.

This significant signing of the new PPA 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 159 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.

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