malakoff
A Member of MMC Group

Enhancing Life,
Enriching Communities.

BEYOND 50
POWERING MALAYSIA

INTEGRATED ANNUAL REPORT 2025





BEYOND 50 POWERING MALAYSIA



For more than five decades, Malakoff Corporation Berhad (Malakoff or the Group) has stood at the heart of Malaysia's energy journey - powering industries, lighting homes and holding firm through shifts that have reshaped the nation's economic landscape. Beyond 50 captures the moment we step up with intention into a transformed role: from being one of Malaysia's largest independent power producers to becoming a Fully integrated Energy Generation and Environmental Solutions Player, one that is built for a low-carbon future, aligned with the ambitions of the National Energy Transition Roadmap (NETR) and the country's commitments to climate resilience. This transition redefines how we operate, shaping our approach to asset management, environmental stewardship and our responsibility towards the communities and ecosystems that are intrinsically linked to our operations. Reflecting this evolution, our strategy is now anchored on creating meaningful impact across two business segments:

- **Energy** generation, strengthened by dependable thermal capacity while rapidly expanding renewables to support grid stability and national targets.
- **Environmental Solutions**, tackling waste, circularity and resource efficiency with the same engineering rigour that powered our traditional assets.

These efforts are further reinforced by innovations that cut across both business segments, including its thermal assets, large scale solar, biomass co-firing, small hydropower, carbon-mobility infrastructure and Waste-to-Energy (WTE), each serving as a building block of the NETR's mission to position Malaysia as a regional leader in low-carbon and reliable energy.

As Malaysia accelerates its transition, reshaping its energy architecture, scaling renewables, modernising its infrastructure and embedding circularity into everyday life, Malakoff continues to progress in step with these national shifts. The years ahead will be shaped by how decisively we execute today, strengthening our operational foundation, progressively reshaping our portfolio and translating environmental responsibility into enduring value for the nation and our stakeholders.

FEEDBACK

We welcome all inquiries, comments and feedback on our Integrated Annual Report in order to clarify issues and to further improve our reporting. Please communicate with us through:

Tel : +603 2263 3388
Email : cacomm@malakoff.com.my

Scan to view our Integrated Annual Report 2025 microsite

20th ANNUAL GENERAL MEETING

Date
30 April 2026
(Thursday)

Time
10:00 a.m.

Venue
Glenmarie Ballroom,
Hilton Shah Alam Glenmarie,
No. 1, Jalan Usahawan U1/8,
Seksyen U1, 40250 Shah Alam,
Selangor, Malaysia

Please scan the QR code for further information on specific topics.

Our website:
https://www.malakoff.com.my/agm/

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BASIS OF THIS REPORT

We are pleased to present the fifth Integrated Annual Report (IAR or the Report) of Malakoff which adheres to the principles outlined in the Integrated Reporting <IR> Framework. This Report offers a comprehensive and transparent account of Malakoff's performance and strategic direction, while addressing the challenges, opportunities and key risks within the operating environment. While its primary focus is on capital providers, this Report also serves as a valuable resource for all stakeholders interested in understanding how we create value over the short-, medium- and long-term, guided by strong governance, harmonising our growth ambitions with our commitment to environmental and social responsibility.

REPORTING FRAMEWORK

Our IAR approach is structured in accordance with the <IR> Framework and complies with:

- National Sustainability Reporting Framework
- International Sustainability Standards Board (ISSB)
- International Financial Reporting Standards (IFRS) S1 on General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 on Climate-related Disclosures
- Main Market Listing Requirements (MMLR) of Bursa Malaysia
- Corporate Governance Guide (Fourth Edition) by Bursa Malaysia
- Companies Act 2016 (CA 2016)
- Malaysian Code on Corporate Governance (MCCG) 2021
- Malaysian Financial Reporting Standards (MFRS) Accounting Standards
- IFRS Accounting Standards

Our Sustainability Statement has been prepared with reference to internationally recognised guidelines, principles, frameworks, standards and sustainability-related indices, including:

- United Nations Sustainable Development Goals (UN SDGs)
- Ten Principles of the UN Global Compact (UNGC)
- Global Reporting Initiative (GRI) Standards 2021
- FTSE4Good Bursa Malaysia (F4GBM) Index

The Climate-related Disclosures (Sustainability Statement) for the financial year 1 January to 31 December 2025 has been prepared in accordance with IFRS Sustainability Disclosure Standards as adopted by Bursa Malaysia's MMLR. The Sustainability Statement is to be read together with the Group's Audited Financial Statements, which has been prepared in accordance with the MFRS Accounting Standards, IFRS Accounting Standards, MMLR and CA 2016.

SCOPE AND BOUNDARY

This report covers the financial year from 1 January to 31 December 2025, encapsulating key activities, initiatives and significant events within this period, unless stated otherwise. It includes all subsidiaries in which Malakoff holds a majority stake and exerts significant influence.

MATERIALITY

We have identified and outlined material matters that influence our long-term business strategies, objectives and corporate direction. These material matters form the foundation of our decision-making process and strategic initiatives.

COMBINED ASSURANCE

We are committed to ensuring the integrity and accuracy of our disclosures through a structured assurance process. This Report has undergone thorough review and approval by the Management with guidance and oversight by the Board of Directors. Our financial statements have been independently audited by Messrs. KPMG PLT (KPMG), while selected sections of the Sustainability Statement have been subject to an internal review conducted by the Group's internal auditors, alongside external limited assurance provided by Bureau Veritas Certification (M) Sdn. Bhd., acting as an independent verifier.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements regarding Malakoff's future performance, which are based on prevailing assumptions and current conditions. Given the inherent uncertainties in these factors, actual results may differ from those anticipated. Various risks, external developments and macroeconomic conditions could impact our future performance. As we move forward, we remain adaptive in refining our strategies to align with the dynamic business environment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of Malakoff assumes full responsibility for ensuring the accuracy and integrity of Malakoff's IAR 2025. In our view, this report presents a balanced and fair assessment of the Group's performance and effectively addresses key factors that impact our ability to generate sustainable value.

The IAR has been prepared in accordance to the standards disclosed under the Reporting Framework, taking into consideration the Board's guidance and oversight.

Refer to Abbreviations on pages 457 to 458.



NAVIGATING THIS REPORT

OUR CAPITALS

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social & Relationship Capital
- Natural Capital

OUR STRATEGIC PILLARS

- T — Thermal Power Generation
- E — Environmental Solutions
- S — Strategic Bets
- R — Renewable Energy
- W — Water Desalination

MATERIAL MATTERS

- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M3 Occupational Safety and Health
- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights
- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M14 Grid Stability
- M15 Asset Life Cycle and Integrity
- M16 Supply Chain Management
- M17 Water Management
- M18 Technology and Innovation
- M19 Community Impact
- M20 Biodiversity

Environmental | Social | Governance

KEY RISKS

- KR1 Health and Safety
- KR2 Equipment Failure and Plant Outages
- KR3 Talent Management
- KR4 Cybersecurity
- KR5 Compliance to Policies and Regulations
- KR6 Emergence of New Technologies
- KR7 Challenges in Getting New Business
- KR8 Environmental, Social and Governance (ESG)
- KR9 Fraudulent, Illegal or Unethical Acts
- KR10 Challenges in Getting New Business

OUR STAKEHOLDERS

- Employees
- Communities/ General Public
- Shareholders/ Analysts/ Investment Community
- Customers/Clients
- Government
- Rating Agencies and Financial Institutions
- Contractors and Vendors
- Media

CROSS REFERENCE

- Indicates where additional information can be found within the Report.
- Indicates where additional information can be found online at www.malakoff.com.my

2025 KEY HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Revenue	EBITDA	Dividend Per Share	Dividend Payment for FY2025*
RM7.21 billion	RM1.72 billion	2.36 sen	RM115.3 million

malakoff Energy

- Secured extensions for **three expiring gas plants** with a total capacity of **2,082 MW**. The **two plants** in **Lumut; Segari Energy Ventures (1,303 MW)** and **GB3 (429 MW)**, were granted extensions until 31 December 2029, while the **Prai Power Plant (350 MW)** was granted an extension until 31 March 2030.
- Entered into a Reservation Agreement with Mitsubishi Power, Ltd for **two sets of gas turbines** and **gas turbine generators** with an option to reserve two additional gas turbines.
- Secured a **concession agreement** with the Housing and Local Government Ministry and Solid Waste and Public Cleansing Management Corporation (SWCorp) for a **22 MW Waste-to-Energy** (WTE) plant in Sungai Udang, Melaka, marking a significant milestone in the Group's expansion into WTE.
- Secured the development of a **470 MW large scale solar (LSS)** in Perak under **LSS PETRA 5+**, the largest in Malaysia.
- Secured the development of a **100 MW solar power project in Bintulu, Sarawak**, strengthening the Group's presence in East Malaysia's renewable energy (RE) landscape.
- The **29 MW ZEC Solar Plant in Kota Tinggi, Johor exceeded its 70% minimum generation threshold**, fully meeting its 2025 Solar Power Purchase Agreement (SPPA) obligations and **avoiding 26,819 tCO_2e in emissions**.
- Signed a SPPA with **MARDEC Berhad (MARDEC)** to **install rooftop solar systems** at five of MARDEC's key facilities across Peninsular Malaysia.

malakoff Environmental Solutions

- **Completed the E-Idaman Sdn. Bhd. acquisition, increasing** Malakoff's waste management capabilities and strengthening its **presence in the northern states of Peninsular Malaysia.**
- **Alam Flora** has rolled out a new fleet of **308 waste collection vehicles** equipped with the latest carbon-reduction technology.
- Commenced operations at the **Maokil landfill** in Labis, Johor, enhancing capacity to manage both concession and non-concession waste.

SUSTAINABILITY HIGHLIGHTS

ENVIRONMENTAL

Carbon Emission Reduction

- Improved **Greenhouse Gases (GHG) Emissions and Energy Reporting Transparency** under the Financial Control Approach.
- Achieved an estimated carbon avoidance of **47,188 tCO_2e** through our current LSS Johor and C&I Rooftop Solar projects.
- RE projects in the pipeline are projected to avoid approximately **1 million tCO_2e** annually upon achieving COD.
- Included Scope 3, Category 4: **Upstream Transportation** and **Distribution** (Coal Transportation) in our GHG emissions inventory.

Recycling & Waste Management

- Alam Flora Sdn. Bhd. (Alam Flora) diverted **6,826 tonnes of waste** from landfill for recycling.
- Enabled circular **reuse** of **579,367 tonnes** of **coal ash** for construction materials, diverting it from landfill.

Higher Contributions

- **Profit Contribution** from **RE & Environmental Solutions increased** by **6.2%** to RM95.6 million (2024: RM90.0 million).

RE Expansion

- Made significant **55% progress** towards achieving **RE 1,400 MW** target by 2031 (2024 progress: 173 MW).

* Financial Year Ended 31 December 2025

AWARDS AND ACCOLADES

1. **Special Submission Award** at the ASEAN Centre for Energy Awards 2025 under the ASEAN Coal Awards category for the Biomass Co-Firing Project at Tanjung Bin Power Plant (TBPP) - Malakoff.
2. **Company of the Year (Energy Generation)** under the ESG Champion Award category and the **Long-Standing Excellence Award** at the Sustainability and CSR Malaysia Awards 2025 - Malakoff.
3. **Company of the Year (Waste Management)** under the Eco Excellence Award category and the **Long-Standing Excellence Award** at the Sustainability and CSR Malaysia Awards 2025 - Alam Flora.
4. **Merit Award** at the Ministry of Natural Resources and Environmental Sustainability Malaysia National Energy Awards 2025 for the Biomass Co-Firing Project at TBPP - Malakoff.
5. **Independent Power Producer of the Year** for the third consecutive year at Enlit Asia 2025 in Bangkok - Malakoff.
6. **Best Solid Waste Management Facility Award 2025** awarded to Pulau Pangkor Incinerator & Leachate Treatment Plant by SWCorp in August 2025 - AFES.
7. **Environmental Sustainability Excellence Award** at the Waste Management Association (WMAM) of Malaysia 20th Anniversary Awards - Alam Flora.
8. **Silver Win in the Companies with RM2 Billion to RM10 Billion in Market Capitalisation** category at the National Annual Corporate Reporting Awards (NACRA) 2025 - Malakoff.



SOCIAL

Community Engagement & Awareness

- **RM369,290** invested in community programmes.
- **5,000 beneficiaries** reached through community initiatives.
- **RM1.58 billion** distributed to our stakeholders including suppliers, employees, Government, capital providers, shareholders and community.

Employee Training & Development

- Invested **RM2.20 million** in employee **training programmes**, resulting in **40,924 training hours.**
- Conducted **162 Certification** Programmes with **803 Participants** Certified.

Health & Safety

- **5,308 employees** trained on **health and safety** standards.
- **100% employees and contractors** covered under our Occupational Safety and Health Management System.
- **Recorded 56,653,366 man-hours** worked, reflecting the vital role of our workforce in delivering essential services.

Diversity & Inclusion

- **ZERO substantiated complaints** concerning human rights violation and discrimination cases reported.

GOVERNANCE

Zero Bribery & Non-Compliance

- **100% of Malakoff operations assessed** for corruption-related risks.
- **77%** of Malakoff employees underwent anti-corruption training.
- **ZERO substantiated complaints** concerning breaches of customer privacy or losses of customer data reported.
- **ZERO** confirmed incidents of corruption.
- Almost **100%** of procurement budget channeled to **local suppliers.**

ABOUT MALAKOFF

VISION

To be a fully integrated Energy generation and Environmental Solutions player, shaping a greener future through innovation and sustainability practices

MISSION

ASPIRE to become the **PREFERRED EMPLOYER**
DELIVER superior **SHAREHOLDER VALUE**
SOUGHT after as a **PARTNER OF CHOICE**
SUSTAIN best-in-class **OPERATING DISCIPLINE**
EARN respect as a **GOOD CORPORATE CITIZEN**

CORPORATE VALUES

INTEGRITY
We conduct our business with a sense of honesty, truthfulness and transparency in all situations

EXCELLENCE
We strive for perfection and conduct ourselves in a professional manner

TEAMWORK
Our interdependence brings togetherness and strengthens relationships to accomplish our Vision & Mission

HARMONY
We respect our people, care for the environment and uphold governance

INNOVATION
Our creativity and ability to look at things differently are the platforms for our advancement

A Fully Integrated Energy Generation and Environmental Solutions Player

Malakoff is an Energy generation and Environmental Solutions organisation with established cross-border presence in the water desalination and energy businesses in the Middle East and North Africa (MENA) namely Saudi Arabia, Bahrain and Oman through its joint ventures and associate investments, complementing its core Malaysian operations. It is Malaysia's largest Independent Power Producer with a generating capacity of 6,953 MW from its domestic thermal power plants. The Group's renewable energy portfolio stands at 766 MW, comprising primarily large scale solar, commercial and industrial solar installations, small hydropower projects and its WTE plant development.

Across its environmental services operations, Malakoff has the capacity to manage waste volumes of up to 6,200 tonnes per day under existing concession arrangements, contracts and operational assets.

Currently in its next phase of transformation, Malakoff continues to strengthen its role in supporting Malaysia's energy transition and circular economy through two core platforms: **Energy**, which encompasses thermal generation and renewable power assets, and **Environmental Solutions**, which covers solid waste management, public cleansing services, infrastructure cleansing and waste solutions, facility management, recycling initiatives, WTE developments, as well as marine and scheduled waste (SW) services.

Through these platforms, Malakoff gives effect to its commitment to enhancing lives and enriching communities by delivering reliable energy supply, advancing sustainable environmental services and creating long-term value for stakeholders.

Market Capitalisation
RM3.96 billion
as of 31 December 2025
(2024: RM4.13 Billion)

Total Assets
RM17.72 billion
(2024: RM19.01 Billion)

Total Employees
4,299
(2024: 4,304)

CORE BUSINESS SEGMENTS

malakoff Energy

As a major player in thermal power generation, **Malakoff Energy** ensures dependable, cost-effective energy supply while promoting efficiency and conservation. We are at the forefront of Malaysia's transition to sustainable energy, providing innovative and renewable energy solutions.

Through these initiatives, we are actively reducing our carbon footprint and accelerating the adoption of clean energy alternatives.

Thermal

Power Generation Portfolio:

- **Tanjung Bin Power Plant**
  (Tanjung Bin Power Sdn. Bhd.)
- **Tanjung Bin Energy Power Plant**
  (Tanjung Bin Energy Sdn. Bhd.)
- **Segari Power Plant**
  (Segari Energy Ventures Sdn. Bhd.)
- **Prai Power Plant**
  (Prai Power Sdn. Bhd.)
- **Kapar Power Plant**
  (Kapar Energy Ventures Sdn. Bhd.)

Renewable Energy (RE)

- Large Scale Solar
- Commercial & Industrial Solar
- Small Hydropower
- Biomass
- Battery Energy Storage Systems
- Carbon-Free Mobility Infrastructure

Electricity Distribution & District Cooling

- Energy Distribution
- District Cooling Technology

Operations and Maintenance

- Seamless integration of technical support, asset monitoring, preventive and corrective maintenance and outage management

Project Management Services

- Managing the full life cycle of thermal power assets, alongside large scale solar and small hydropower projects, with readiness to support Battery Energy Storage Systems in the future

International Operations: Independent Water and Power Plants (IWPP)

International Power Generation Assets in Saudi Arabia, Bahrain and Oman

- **Shuaibah Phase 3 IWPP**
  (Shuaibah Water & Electricity Company, Saudi Arabia)
- **Shuaibah Phase 3 Expansion IWP**
  (Shuaibah Expansion Project Company, Saudi Arabia)
- **Al-Hidd IWPP**
  (Hidd Power Company, Bahrain)
- **Al-Ghubrah IWP**
  (Muscat City Desalination Company, Oman)

malakoff Environmental Solutions

As a leading waste management and environmental solutions provider, **Malakoff Environmental Solutions** supports communities in reducing waste while minimising environmental impact.

We are driving Malaysia's transition towards a circular economy, ensuring long-term environmental sustainability.

Environmental Solutions Portfolio:

- **Alam Flora Sdn. Bhd.**
- **E-Idaman Sdn. Bhd.**
- **Alam Flora Environmental Solutions Sdn. Bhd.**
- **Sungai Udang WTE Sdn. Bhd.**
- **Genesis Facility Solutions Sdn. Bhd.**

Environmental Solutions Services:

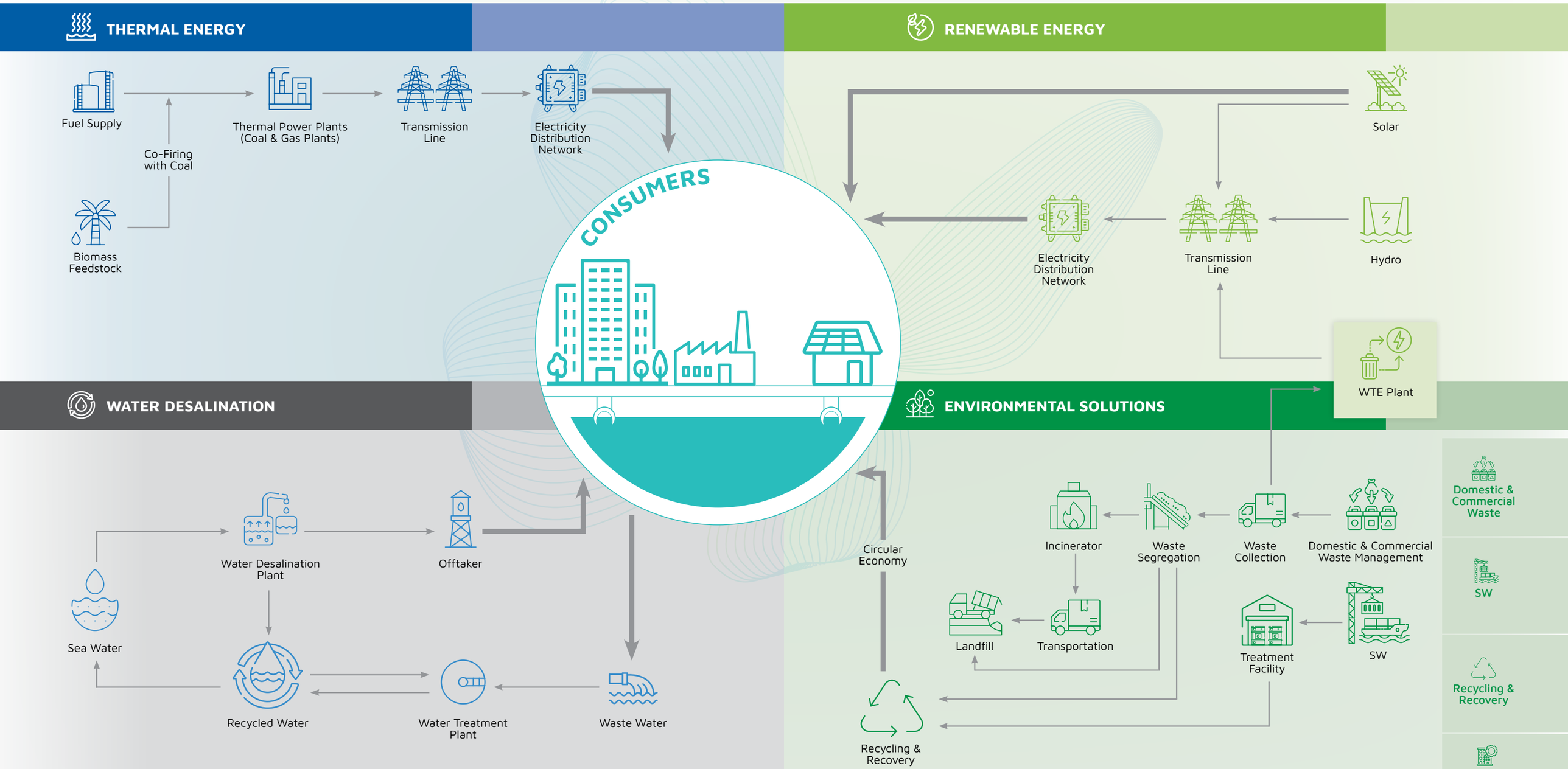
Concession & Non-Concession

- **Comprehensive Waste Management Solutions**
- **Recycling Initiatives**
- **Hazardous and Marine Waste Solutions**
- **Integrated Facility Management**
- **WTE Innovations**
- **Water Desalination Projects in Saudi Arabia, Bahrain and Oman**

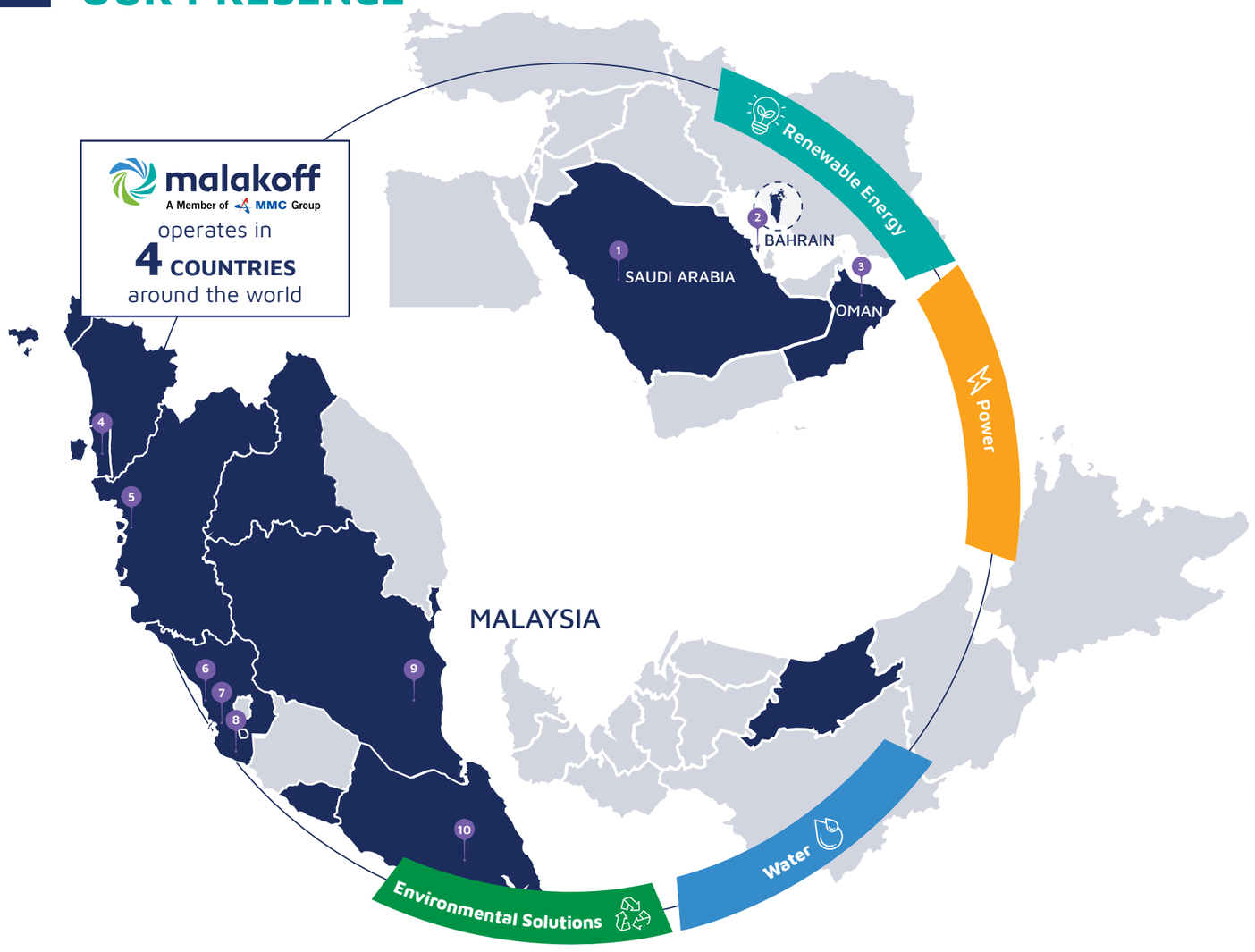
Please refer to the Business Review on pages 94 to 126.

These two strategic segments define Malakoff's mission to deliver sustainability, innovation and excellence. Through Malakoff Energy and Malakoff Environmental Solutions, we are actively shaping a future that is cleaner, more resilient and built for generations to come.

OUR BUSINESS VALUE CHAIN



OUR PRESENCE



RENEWABLE ENERGY

766 MW
Renewable Energy Generating Capacity

Note: Comprises projects currently in operation and committed projects

63,767 MWh
Actual Renewable Energy Generation in 2025

47,188 tCO_2e of carbon avoidance
Equivalent to:
- 10,995 gasoline-powered passenger vehicles driven for one year
- 778,595 tree seedlings grown for 10 years

Note: Based on actual total generation from solar in 2025

1. SAUDI ARABIA

Shuaibah Phase 3 IWPP
- **900 MW**
- **880,000 m³/day**

Shuaibah Phase 3 Expansion IWP
- **150,000 m³/day**

One of the Largest IWPP Projects in the MENA Region and First IWPP in Saudi Arabia

2 BAHRAIN

Al-Hidd IWPP
- **929 MW**
- **410,000 m³/day**

Malakoff's Largest Overseas Investment in Power & Water Desalination

3 OMAN

Al-Ghubrah IWP
- **191,000 m³/day**

Oman's Fourth Largest Water Desalination Plant

4 PENANG

Prai Power Plant
- **350 MW**

One of the Most Efficient Gas-Fuelled Power Plants in Malaysia

5 PERAK

SEV Power Plant
- **1,303 MW**

The Second Largest IPP-Owned Combined-Cycle Gas Turbine Plant in Malaysia

6 SELANGOR

Kapar Power Plant
- **2,200 MW**

The First and Only Triple Fuel Firing Power Plant in Malaysia (Gas, Oil, Coal)

7 KUALA LUMPUR

Environmental Solutions
- **2,190 tonnes/day**

8 PUTRAJAYA

Environmental Solutions
- **131 tonnes/day**

9 PAHANG

Environmental Solutions
- **961 tonnes/day**

Alam Flora (Overall)
Non-Concession Areas
- **504 tonnes/day**

Recyclable Materials
- **19 tonnes/day**

10 JOHOR

Tanjung Bin Power Plant
- **2,100 MW**

Tanjung Bin Energy Power Plant
- **1,000 MW**

The First Private Coal-Fired Plant in Malaysia and One of the Biggest Coal-Fired IPPs in South East Asia

Notes:
IWP - Independent Water Plant
IWPP - Independent Water and Power Plant
IPP - Independent Power Producer

POWER

8,782 MW
Total Power Generation Capacity

5,930 MW
Total Effective Power Generation Capacity

WATER

1,631,000 m³/day
Total Gross Water Production Capacity

472,975 m³/day
Total Effective Water Production Capacity

ENVIRONMENTAL SOLUTIONS

3,805 tonnes/day
Total Waste Management Actual Volume

Approximately **6,200 tonnes/day**
Total Waste Management Handling Capacity

OUR COMPETITIVE ADVANTAGES

A well-defined sustainability roadmap focused on **achieving a low-carbon and resource-efficient future**, underpinned by **strong ESG principles, human rights protection** and **robust governance frameworks.**

Strategically positioned across Malaysia, Saudi Arabia, Bahrain and Oman, reinforcing Malakoff's status as **a regional leader in Energy and Environmental Solutions** while unlocking opportunities for international growth.

A solid history of success in both greenfield and brownfield projects, **demonstrating technical expertise, operational excellence and the ability to deliver large-scale infrastructure** projects efficiently.

Supporting a responsible energy transition that maintains energy security, while continuing to aggressively expand renewable energy and strengthen environmental solutions as core businesses within Malakoff's dual-platform portfolio.

A strong balance sheet with stable returns and reliable cash flows, backed by long-term concessions, high-credit-quality counterparties and resilient financial management.



A well-balanced dual-platform portfolio across **Energy** at scale and **Environmental Solutions** as a strategic differentiator, **positioning Malakoff beyond single-sector energy peers** while advancing WTE and circular economy solutions aligned with national sustainability priorities.

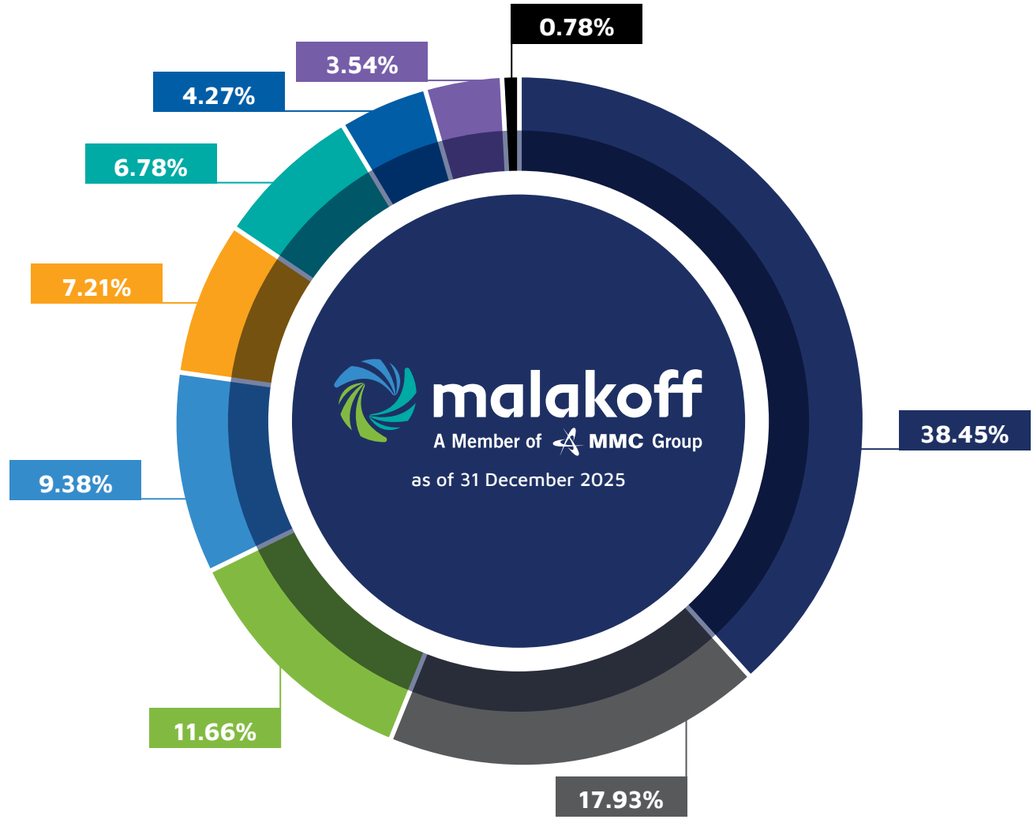
A team with deep expertise across the energy and environmental sectors, enhanced through **continuous capacity building and optimal talent alignment**, and supported by strong strategic partnerships to advance innovation and operational efficiency.

A disciplined **dividend** a policy to deliver consistent and **attractive returns** to shareholders.

A highly experienced and independent Board composition, ensuring transparent decision-making, accountability and adherence to global best practices in governance.

Backed by a credible network of institutional investors, including Permodalan Nasional Berhad, Employees Provident Fund and Kumpulan Wang Persaraan (Diperbadankan), ensuring financial resilience and investor confidence.

OUR SHAREHOLDING STRUCTURE



MMC Corporation Berhad

Malakoff's largest shareholder with a combined interest of 38.45% (directly and through its wholly-owned subsidiary Anglo Oriental (Annuities) Sdn. Bhd.)

Employees Provident Fund

The world's 13th largest pension fund and 5th largest in Asia as of September 2024

Permodalan Nasional Berhad

One of the largest fund management companies in Malaysia

Local Corporations and Retail Shareholders

Kumpulan Wang Persaraan (Diperbadankan)

Malaysia's largest public sector pension fund for civil servants

Urusharta Jamaah Sdn. Bhd.

A special purpose vehicle wholly-owned by the Ministry of Finance

Foreign Shareholders

Lembaga Tabung Haji

An Islamic institution dedicated to providing comprehensive and systematic facilities for the welfare of Malaysian pilgrims

Etiqa Insurance

A leading ASEAN Insurance and Takaful player under the Maybank Group

OUR CREDIT RATINGS

1	LONG TERM	MALAKOFF POWER BERHAD BY MARC	AA-$_{IS}$/STABLE
2	SHORT TERM	MALAKOFF POWER BERHAD BY MARC	MARC-1$_{IS}$/STABLE
3	LONG TERM	TANJUNG BIN O&M BERHAD BY MARC	AA-$_{IS}$/STABLE
4	LONG TERM	TANJUNG BIN POWER SDN. BHD. BY RAM	AA2/STABLE
5	LONG TERM	TANJUNG BIN ENERGY SDN. BHD. BY RAM	AA3/STABLE
6	LONG TERM	ALAM FLORA SDN. BHD. BY MARC	AA$_{IS}$/STABLE
7	SHORT TERM	ALAM FLORA SDN. BHD. BY MARC	MARC-1$_{IS}$/STABLE
8	LONG TERM	RP HYDRO (KELANTAN) SDN. BHD. BY RAM	AA3/STABLE

Notes:
MARC - Malaysian Rating Corporation Berhad
RAM - RAM Holdings Berhad

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI WAN ZULKIFLEE WAN ARIFFIN
Independent Non-Executive Chairman

NON-EXECUTIVE DIRECTORS

DATUK ROZIMI REMELI
Independent Non-Executive Director

DATO' MOHD NAIM DARUWISH
Non-Independent Non-Executive Director

DR. NORIDA ABDUL RAHMAN
Independent Non-Executive Director

DATUK PRAKASH CHANDRAN MADHU SUDANAN
Independent Non-Executive Director

DATUK WIRA ROSLAN AB RAHMAN
Independent Non-Executive Director

PUAN LIM TAU KIEN
Independent Non-Executive Director

DATO' MOHAMAD RAZIF HAJI ABD MUBIN
Independent Non-Executive Director

DATO' MOHD NAZRUL IZAM MANSOR
Non-Independent Non-Executive Director

COMPANY SECRETARIES

Noor Raniz Mat Nor
(MAICSA 7061903)
(SSM Practicing Certificate No. 201908001542)

Zaidatul Neezma Zainal Abidin
(MACS 01677)
(SSM Practicing Certificate No. 202208000740)

BOARD AUDIT COMMITTEE

Puan Lim Tau Kien
Independent Non-Executive Director
(Chairperson)

Datuk Rozimi Remeli
Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director

BOARD NOMINATION AND REMUNERATION COMMITTEE

Dr. Norida Abdul Rahman
Independent Non-Executive Director
(Chairperson)

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Puan Lim Tau Kien
Independent Non-Executive Director

BOARD RISK AND INVESTMENT COMMITTEE

Datuk Wira Roslan Ab Rahman
Independent Non-Executive Director
(Chairman)

Dato' Mohd Naim Daruwish
Non-Independent Non-Executive Director

Datuk Prakash Chandran Madhu Sudanan
Independent Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent Non-Executive Director

BOARD PROCUREMENT COMMITTEE

Datuk Rozimi Remeli
Independent Non-Executive Director
(Chairman)

Dato' Mohd Naim Daruwish
Non-Independent Non-Executive Director

Dr. Norida Abdul Rahman
Independent Non-Executive Director

Dato' Mohamad Razif Haji Abd Mubin
Independent Non-Executive Director

AUDITORS

KPMG PLT
Level 10, KPMG Tower
No. 8, First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

PRINCIPAL BANKERS

Malayan Banking Berhad
RHB Bank Berhad
Bank Muamalat Malaysia Berhad
AmBank (M) Berhad
CIMB Bank Berhad
Bank Kerjasama Rakyat Malaysia Berhad

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
Registration No: 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7890 4700
Fax : +603-7890 4670

COMPANY ADDRESS

Level 7, Block 4, Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur
Tel : +603-2263 3388
Fax : +603-2263 3333
Website : www.malakoff.com.my

REGISTERED OFFICE

Level 12, Block 4, Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur
Tel : +603-2263 3388
Fax : +603-2263 3333

GROUP STRUCTURE

malakoff A Member of MMC Group — AS OF 20 FEBRUARY 2026

Energy

Thermal Power Generation

- 100% Prai Power Sdn. Bhd.
- 93.75% Segari Energy Ventures Sdn. Bhd.
- 90% Tanjung Bin Power Sdn. Bhd.
- 75% GB3 Sdn. Bhd.
- 40% Kapar Energy Ventures Sdn. Bhd.
- 100% Hypergantic Sdn. Bhd.
  - 100% Port Dickson Power Berhad
- 100% Tanjung Bin Energy Sdn. Bhd.
  - 100% Tanjung Bin Energy Issuer Berhad
- 65% PDP Gen Two Sdn. Bhd.
- 100% Yan Energy Ventures Sdn. Bhd.
- 70% SegariGen2 Ventures Sdn. Bhd.

Renewable Energy

- 100% Tuah Utama Sdn. Bhd. (TUSB)
  - 100% Malakoff Radiance Sdn. Bhd.
  - 100% Green Biogas Sdn. Bhd.
  - 70% RP Hydro (Kelantan) Sdn. Bhd.
  - 49% E-Idaman Sdn. Bhd.
  - 70% Malakoff Evergreen Sdn. Bhd.
- 100% ZEC Solar Sdn. Bhd.
- 100% Malakoff Solar Sdn. Bhd.
- 80% Malakoff Silver Solar Sdn. Bhd.

Environmental Solutions

- 100% Tunas Pancar Sdn. Bhd.
  - 100% Genesis Facility Solutions Sdn. Bhd.
  - 97.37% Alam Flora Sdn. Bhd.
    - 97.37% Alam Flora Environmental Solutions Sdn. Bhd. (AFES)
      - 38.9% Sungai Udang WTE Sdn. Bhd. (Sg. Udang)[VII]
      - 60%

Operations and Maintenance

- 100% Malakoff Power Berhad
  - 100% Tanjung Bin O&M Berhad
  - 100% PDP O&M Sdn. Bhd. *(Liquidated on 28.3.2025)*
- 100% Malakoff Technical Solutions Sdn. Bhd.
  - 100% Natural Analysis Sdn. Bhd. *(Liquidated on 31.10.2025)*
  - 100% TJSB Services Sdn. Bhd.
  - 100% TJSB Global Sdn. Bhd.
    - 49% Hyflux-TJSB Algeria SPA
  - 95% PT. Teknik Janakuasa
  - 70% Rising O&M Engineering Services Sdn. Bhd.
  - 51% Malakoff Gas Malaysia Cogen O&M Sdn. Bhd.
  - 51%
  - 49% TJZ Suria Sdn. Bhd.
- 100% TJSB International Limited
  - 100% TJSB Middle East Limited
    - 50% Muscat City Desalination Operation and Maintenance Company LLC
  - 100% TJSB International (Shoaiba) Limited
    - 20% Saudi-Malaysia Operation & Maintenance Services Company Limited
    - 20% Al-Imtiaz Operation & Maintenance Company Limited
    - 20%

Electricity Distribution and District Cooling System

- 100% Malakoff Utilities Sdn. Bhd.

Project Management Services

- 100% Malakoff Engineering Sdn. Bhd.
  - 100% MESB Project Management Sdn. Bhd.[I]

Others

- 100% Malakoff R&D Sdn. Bhd.
- 54% Desa Kilat Sdn. Bhd.

International

- 100% Radiant Summit Global Limited
- 100% Spring Assets Limited[I]
- 100% Malakoff Capital (L) Ltd[I]
- 100% Malakoff International Limited (MIL)
  - 100% Malakoff Gulf Limited (MGL)
    - 100% Desaru Investments (Cayman Isl.) Limited (DIL)
      - 40% Malaysian Shoaiba Consortium Sdn. Bhd. (MSCSB)
      - 40%
      - 40% Saudi-Malaysia Water & Electricity Company Limited (SAMAWEC)[II]
        - 24% Shuaibah Water & Electricity Company Limited (SWEC)[II]
        - 24% Shuaibah Expansion Holding Company Limited (SEHCO)[III]
          - 23.4% Shuaibah Expansion Project Company Limited (SEPCO)[III]
          - 0.4%
  - 100% Malakoff Hidd Holding Company Limited (MHHCL)
    - 57.14% Malakoff Summit Hidd Holding Company Limited (MSHHCL)
      - 40% Hidd Power Company B.S.C (c) (HPC)[V]
  - 100% Malakoff AlDJazair Desal Sdn. Bhd. (MADSB)
    - 70% Tlemcen Desalination Investment Company SAS (TDIC)
      - 35.7% Almiyah Attilemcania SPA (AAS)[IV]
  - 100% Pacific Goldtree Sdn. Bhd.
    - 100% Skyfirst Power Sdn. Bhd.
  - 100% Malakoff Oman Desalination Company Limited
    - 32.5% Muscat City Desalination Company S.A.O.G (MCDC)[VI]
  - 100% Malakoff Technical (Dhofar) Limited
    - 43.48% Oman Technical Partners Limited *(Liquidated on 29.4.2025)*

The percentage of shareholdings in the diagram represents effective equity interest of Malakoff in the respective companies.

I. Dormant.

II. Malakoff's effective equity interest of 40% and 24% in SAMAWEC and SWEC respectively is held via MGL and DIL, which respectively hold 40% equity interest in MSCSB, which in turn holds 50% equity interest in SAMAWEC. SAMAWEC holds 60% equity interest in SWEC.

III. Malakoff's effective equity interest of 23.8% in SEPCO is held via MGL and DIL, which respectively hold 40% equity interest in MSCSB, which in turn holds 50% equity interest in SAMAWEC. SAMAWEC holds 60% equity interest in SEHCO, which in turn holds 97.5% equity interest in SEPCO. SAMAWEC also holds a direct shareholding of 1% in SEPCO.

IV. Malakoff's effective equity interest of 35.7% in AAS is held via MADSB, which holds 70% equity interest in TDIC, which in turn holds 51% equity interest in AAS.

V. Malakoff's effective interest of 40% in HPC is held via MHHCL, which holds 57.14% equity interest in MSHHCL, which in turn holds 70% equity interest in HPC.

VI. MCDC is a company listed on the Muscat Stock Exchange since 2 January 2018.

VII. Malakoff's effective equity interest in Sungai Udang was previously held at 100% through TUSB. Following the restructuring on 11 April 2025, Malakoff's effective equity interest has been revised to 60%, with an additional 38.9% equity interest held through AFES.

OUR JOURNEY

Over the past five decades, Malakoff has progressed in tandem with the nation's shifting energy landscape, evolving from a conventional power producer into a diversified Group steered by two core business segments: **Energy** and **Environmental Solutions**. As Malaysia advances its ambitions under the NETR, we continue to strengthen the reliability of our generation portfolio while expanding capabilities that contribute to cleaner, more resource-efficient outcomes for the country. Our unrelentless pursuit of sustainability and ESG excellence further reinforces this direction, ensuring that our transformation aligns with national priorities and global expectations for responsible energy and environmental development.

This steady evolution reflects the resilience, discipline and duty that have shaped our identity since inception. We are marching forward, carrying the same resolve that has guided us through each era of change. The foundations we have built, grounded in operational strength, prudent governance and a focus on long-term value creation provide the confidence to embark on the next chapter of our journey, **Beyond 50: Powering Malaysia**, with conviction and enduring commitment.

1970s

In its earliest years, Malakoff's story was rooted in plantation life, shaped by the daily rhythms of rubber tapping and processing. Records from 1961 show Malakoff Rubber Estates Ltd.'s intention to acquire Broome Rubber Plantations Ltd., expanding its agricultural footprint and strengthening its presence in the region.

1976

Listed on the Main Board of Bursa Malaysia.

1993

Transitioned from plantations into power generation.

The first stake was acquired in the Port Dickson Power Plant.



1996

Segari Energy Ventures Power Plant (SEV) in Lumut, Perak commenced operations.



2000

Established Wirazone Sdn. Bhd. to support utilities-related operations.



2001

GB3 Power Plant in Lumut, Perak commenced operations.



2003

Prai Power Plant (PPP) commenced operations.



2004

Invested in Kapar Energy Ventures Sdn. Bhd. (KEV), one of Malaysia's largest multi-fuel power generation facilities, located in Selangor.



2006

Tanjung Bin Power Plant (TBPP) commenced operations as Malaysia's first private coal-fired power plant and one of the largest in Southeast Asia.



2007

Became part of MMC Corporation Berhad's Group of Companies.



2009

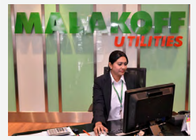
Marked our first international project through the Shuaibah Independent Water and Power Plant (IWPP) in Saudi Arabia.

2012

Strengthened international presence with a stake in the Al-Hidd IWPP, Bahrain.



Wirazone Sdn. Bhd. was rebranded as Malakoff Utilities Sdn. Bhd.



2013

Entered the renewable energy (RE) sector through Australia's Macarthur Wind Farm.



2014

Acquired full ownership of the Port Dickson Power Plant.



2016



Tanjung Bin Energy Power Plant (TBEPP) commenced operations.

2019

Acquired Alam Flora Sdn. Bhd., a leading Environmental Solutions provider in Malaysia.



2022



Embarked on a new chapter towards sustainability, focusing on RE and Environmental Solutions following the launch of Malakoff Strategic Transformation 2.0 in 2021.

2023

Rebranded with a refreshed corporate identity and new logo, introducing three strategic pillars at the time: **Malakoff Energy**, **Malakoff Green Solutions** and **Malakoff Environmental Solutions**.



Ventured into hydropower through small hydropower projects in Kelantan.



2024

Extended operations of PPP in support of national energy needs.



Pioneered biomass co-firing at TBPP as a flagship catalyst project under the NETR, supporting Malaysia's decarbonisation ambitions.

2025

Signed concession agreement for the Sungai Udang Waste-to-Energy (SUWTE) Project in Melaka, converting municipal waste into RE.



We celebrated our 50th Anniversary, marking five decades of powering progress and a journey defined by transformation, resilience and sustainability.



2025 IN REVIEW

5 FEBRUARY 2025



CHAMPIONING EDUCATION ACCESS

Educational support was extended to 181 students from preschool to secondary school at Mukim Serkat, Johor aiming to ease financial pressures for families residing near the Tanjung Bin Power Plant Complex. This initiative also strengthened community relationships and reaffirmed Malakoff's long-term commitment to local development.

18 FEBRUARY 2025



INNOVATION CHALLENGE 2024 WINNERS RECOGNISED

Nine teams were recognised for their creativity and strong participation in the Innovation Challenge 2024, where the top three teams qualified for the National innovation Award 2024, hosted by the Malaysia Productivity Corporation. The programme highlighted Malakoff's dedication to fostering innovation and encouraging continuous improvement.

28 FEBRUARY 2025

E-IDAMAN

EXPANDING ENVIRONMENTAL SOLUTIONS CAPABILITIES

Completion of the 49% E-Idaman acquisition expands Malakoff's environmental solutions footprint into the northern states of Peninsular Malaysia, strengthening its commitment to sustainable waste management and future sector growth.

26 MARCH 2025



RAMADHAN CHEER THROUGH SHARE OUR LOVE PROGRAMME

As part of Malakoff's annual Share Our Love programme, employees visited the residents of Asrama Darul Falah PERKIM to share *iftar*, distribute goodie bags and *duit raya*, and foster a sense of togetherness. The programme supports indigenous Orang Asli children, including orphans and those from remote villages, reflecting Malakoff's ongoing commitment to community well-being and inclusivity.

10 APRIL 2025



ADVANCING COMMUNITY SOLAR INITIATIVES

Malakoff Radiance Sdn. Bhd. (MRSB), partnered with Masjid Saidina Umar Al Khattab to deliver its first community-based solar installation, featuring a Building Integrated Photovoltaic (BIPV) carport system that provides shaded parking while generating clean energy. The initiative promotes solar awareness within the community and reflects Malakoff's ongoing commitment to accessible, sustainable energy solutions.

25 MAY 2025



COASTAL CLEANUP AND TREE PLANTING FOR A CLEANER, GREENER EARTH

Alam Flora's *Jom Plogging "Saya Sayang Bumi"* programme at Pantai Cherok in Kuantan, drew 200 participants who collected a total of 1,312 kg of waste. In additional, 150 trees were planted in collaboration with the Pahang State Forestry Department, reflecting the Group's ongoing commitment to environmental conservation.

7 & 8 JUNE 2025



SHARING THE SPIRIT OF GIVING

A series of Eid Ul-Adha handovers were carried out across Mukim Serkat, Lumut, Seberang Prai and Port Dickson, distributing *Qurban* meat to underserved families and strengthening community ties. The outreach reflected Malakoff's values of empathy, togetherness and social responsibility through meaningful engagement with local communities.

13 JUNE 2025



SHARING THE SPIRIT OF GIVING

Malakoff continued its long-standing tradition of an annual friendly football match with PETRA, fostering teamwork, camaraderie and collaboration between both organisations. The event strengthened stakeholder relationships and reinforced Malakoff's commitment to building meaningful partnerships through shared experiences.

16 JUNE 2025



EXPANDING CLEAN MOBILITY

MRSB signed a collaboration with New Energy Asia Sdn. Bhd. to deploy electric vehicle (EV) charging infrastructure and integrate solar-powered mobility solutions across ASEAN, supporting the region's transition to cleaner transport and strengthening the Group's RE portfolio.

12 JULY 2025



STRENGTHENING BONDS THROUGH THE ANNUAL FUTSAL TOURNAMENT

The annual sporting event brought together teams from PETRA, the Energy Commission (EC), UKAS and Malakoff key partners in a friendly and energetic competition that strengthened teamwork, sportsmanship and long-standing stakeholder relationships. The event showcased ongoing efforts to build strong partnerships through meaningful and engaging activities.

15 JULY 2025



EXCELLENCE IN RISK CULTURE RECOGNISED

Malakoff was named a Top Five Finalist for the Risk Culture Excellence Award at the MARIM Awards 2025, reflecting its strong risk-aware culture and commitment to operational resilience. The recognition underpinned the Group's structured approach to risk management and its ongoing efforts to build a resilient and sustainable organisation.

15 JULY 2025



DRIVING GREENER GROWTH WITH NEW SARAWAK RE INITIATIVES

A collaboration was formalised with Evergreen Earth Sdn. Bhd. to explore RE opportunities in Sarawak, including greenfield solar developments under the Green Power Projects. The partnership focuses on feasibility studies, site assessments and strategic project planning, supporting efforts to expand the state's RE capacity and contribute to long-term sustainable growth.

17 July 2025



DEEPENING ENGAGEMENT THROUGH FRIENDLY NETBALL MATCH

A friendly netball match between Malakoff and the EC served as a meaningful platform to strengthen stakeholder relations through teamwork and shared experiences. The closely contested game highlighted camaraderie, resilience and mutual respect, reinforcing Malakoff's commitment to cultivating long-term, trust-based partnerships beyond formal engagement channels.

18 JULY 2025



DUAL WIN AT SUSTAINABILITY & CSR MALAYSIA AWARDS 2025

Malakoff clinched the Company of the Year (Energy Generation) award under the ESG Champion Award category and the Long-Standing Excellence Award while Alam Flora won the Company of the Year (Waste Management) under the Eco Excellence Award category and received the Long-Standing Excellence Award. The awards testify the Group's long-standing commitment to meaningful environmental initiatives, broad community engagement and sustained efforts that contribute to positive, long-term social and environmental outcomes.

8 AUGUST 2025



BOWLING TOURNAMENT TO ENHANCE STAKEHOLDER BONDS

The annual bowling tournament brought together participants from key energy sector partners, fostering collaboration, teamwork and friendly competition. The event reinforced long-standing stakeholder relationships and highlighted Malakoff's commitment to meaningful engagement and sector partnerships.

19 AUGUST 2025



NURTURING CORPORATE TIES

A friendly netball match between Malakoff and PETRA served as a meaningful platform to deepen collaboration, strengthen rapport and deepen mutual understanding between both organisations. The lively and closely contested game highlighted teamwork, respect and sportsmanship, reinforcing Malakoff's commitment to cultivating long-term stakeholder relationships through engagement beyond formal business settings.

28-29 AUGUST 2025



PULAU AUR MARINE CONSERVATION PROGRAMME 2025

A two day Marine Conservation Programme at Pulau Aur, Mersing was organised in conjunction with World Beach Day and Malaysia's Independence Day. In collaboration with the Johor State Fisheries Office, volunteers and divers beautified the jetty and public hall, conducted a beach clean up and carried out underwater removal of ghost nets and Crown-of-Thorns starfish. Supported by the Royal Malaysia Police Marine Force, the initiative showcased strong teamwork and national spirit, including divers waving the *Jalur Gemilang* underwater. Marking Malakoff's 50th Anniversary, the programme reinforces the Group's commitment to marine protection and community empowerment.

10 SEPTEMBER 2025



MALAKOFF CLINCHES TOP INDEPENDENT POWER PRODUCER HONOUR

Malakoff was named the IPP of the Year at Enlit Asia 2025, marking its third consecutive win and underscoring the Group's strong operational performance and reliability. The recognition reflects enhanced plant excellence and sustained progress in circular-economy initiatives that strengthen efficiency, environmental stewardship and long-term asset resilience sector partnerships.

26 SEPTEMBER 2025



LEADING THE WAY IN BIOMASS CO-FIRING WITH NATIONAL AND ASEAN HONOURS

Malakoff earned a Merit Award at the National Energy Awards 2025 for its Biomass Co-Firing initiative at the Tanjung Bin Power Plant, recognising the project's role in integrating low-carbon solutions within existing generation assets.

The pilot demonstrated meaningful emissions-reduction potential, supported waste-to-value practices and highlighted the feasibility of biomass as a transitional fuel for Malaysia's energy mix. The recognition reaffirms the Group's commitment to delivering cleaner, more secure energy solutions and advancing Malaysia's energy transition, reinforcing Malakoff's dedication to long-term sustainable progress.

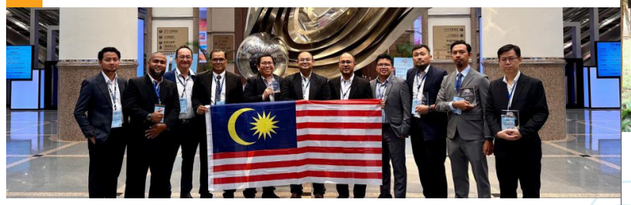
17 OCTOBER 2025



HONOURED AT THE ASEAN ENERGY AWARDS 2025

Malakoff received a Special Submission Award at the ASEAN Energy Awards 2025 for its Biomass Co-Firing initiative at the Tanjung Bin Power Plant. The recognition highlighted the Group's role in integrating low-carbon innovations into existing power infrastructure and advancing practical, scalable solutions that support the region's clean energy goals.

5 November 2025



MALAKOFF SHINES AT 50TH INTERNATIONAL CONVENTION ON QUALITY CONTROL CIRCLES (ICQCC 2025)

Malakoff achieved a major milestone at ICQCC 2025 in Taipei by securing four Gold Awards among 323 global teams, establishing the Group's strong engineering capabilities and culture of continuous improvement.

17 November 2025



SUSTAINABILITY-THEMED AMAZING HUNT 2025

The Malakoff Amazing Hunt 2025 celebrated the Group's 50th Anniversary by bringing together participants for sustainability-themed challenges that promoted environmental awareness and strengthened stakeholder relationships. The event demonstrated how meaningful engagement and hands-on learning can inspire collective momentum toward sustainable living.

22 November 2025



CELEBRATING FIVE DECADES OF TOGETHERNESS AT THE MALAKOFF 50TH ANNIVERSARY FAMILY FIESTA

Employees and their families spent a fun-filled day at the Family Fiesta, celebrating unity, wellness and shared heritage. The event blended nostalgic games, community engagement and environmental awareness initiatives, creating a memorable milestone in Malakoff's 50-year journey.

6 December 2025



STRENGTHENS COMMUNITY AWARENESS AND SUSTAINABILITY EFFORTS

The MELP Energy Hunt 2025 united participants from various organisations in a hands-on, public-transport-based challenge that boosted awareness of Malaysia's energy landscape and encouraged practical sustainable habits. The event also strengthened collaboration among IPPs and partners, highlighted by strong participation from Malakoff teams.



OUR LEADERSHIP

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BOARD AT A GLANCE



TAN SRI WAN ZULKIFLEE WAN ARIFFIN
Independent Non-Executive Chairman



DATUK ROZIMI REMELI
Independent Non-Executive Director



DATO' MOHD NAIM DARUWISH
Non-Independent Non-Executive Director



DR. NORIDA ABDUL RAHMAN
Independent Non-Executive Director



DATUK PRAKASH CHANDRAN MADHU SUDANAN
Independent Non-Executive Director



DATUK WIRA ROSLAN AB RAHMAN
Independent Non-Executive Director



PUAN LIM TAU KIEN
Independent Non-Executive Director



DATO' MOHAMAD RAZIF HAJI ABD MUBIN
Independent Non-Executive Director



DATO' MOHD NAZRUL IZAM MANSOR
Non-Independent Non-Executive Director

BOARD COMPOSITION

Independent Non-Executive Chairman	Non-Independent Non-Executive Directors	Independent Non-Executive Directors
1	2	6

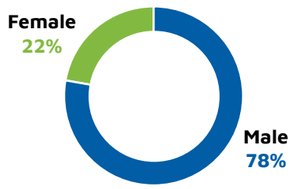
SKILLS AND EXPERIENCE

Accounting	2
Energy/Technical	4
Business Administration/Economics	2
Legal	1

AGE DIVERSITY

50–60 years old	**Above 61** years old
2	7

GENDER DIVERSITY



BOARD TENURE

Less than **1 year**	**1–3 years**	More than **3 years**
3	3	3

BOARD OF DIRECTORS' PROFILE

TAN SRI WAN ZULKIFLEE WAN ARIFFIN

Independent Non-Executive Chairman

BOARD MEETING ATTENDANCE:
NIL

Gender	Age	Nationality
Male	66	Malaysian

Note:
Tan Sri Wan Zulkiflee does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 1 March 2026

Board Memberships and Committees:

NIL.

Academic/Professional Qualifications:

- Bachelor of Engineering (Chemical), University of Adelaide, South Australia.
- Senior Management Program, INSEAD.
- Advanced Management Program, Harvard Business School.
- Fellow, Institute of Corporate Directors Malaysia (ICDM)
- Honorary Fellow, Institution of Chemical Engineers, United Kingdom.

Past Appointments/Experiences

- **Career Journey:**
  - Began his career and held various senior leadership positions with Petroliam Nasional Berhad (PETRONAS) since 1983.
  - Retired as President and Group Chief Executive Officer, PETRONAS in June 2020.
  - Chairman, National Trust Fund.
  - Chairman, Audit Committees and Council Members, East Coast Economic Region Development Council (ECERDC) and Northern Corridor Implementation Authority (NCIA) respectively.
  - Council, ASEAN Council on Petroleum (ASCOPE).
  - Governor, Oil & Gas, World Economic Forum.
  - Pro-Chancellor, Universiti Teknologi PETRONAS.
  - Board of Trustees, Razak School of Government.
  - Adjunct Professor, Kulliyah of Economics and Management Sciences, International Islamic University Malaysia.
  - Member, Industry Advisory Board, International Islamic University Malaysia.
  - Board of Governors, International Islamic University Malaysia.
- **Previous Board Memberships in Other Companies:**
  - Director, Exxon Mobil Corporation.
  - Chairman, Malaysia Aviation Group.
  - Chairman, Malaysia Airlines Berhad.

Other Current Board Memberships:

- Chairman, Nestle (Malaysia) Berhad.
- Chairman, Gas Malaysia Berhad.
- Chairman, DRB-HICOM Berhad.
- Chairman, EON Petromin Sdn. Bhd.
- Advisory Board, National Energy Services Reunited Corp., Houston, Texas (a NASDAQ listed oilfield services company).

DATUK ROZIMI REMELI

Independent Non-Executive Director

BOARD MEETING ATTENDANCE:
9/9

Gender	Age	Nationality
Male	69	Malaysian

Note:
Datuk Rozimi does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 16 October 2017

Board Memberships and Committees:

BPC (Chairman) and **BAC** (Member)

Academic/Professional Qualifications:

- Diploma in Electrical Engineering, Universiti Teknologi Malaysia (1979).
- Bachelor in Engineering, Northrop University, USA (1984).
- Master in Business Administration (MBA), Universiti Sains Malaysia (1996).

Past Appointments/Experiences

- **Career Journey:**
  - Over 32 years of extensive leadership experience in the energy industry.
  - Joined Tenaga Nasional Berhad (TNB) in 1979, holding various positions until retirement in January 2016.
  - General Manager, Asset Maintenance Department, Transmission Division (2006).
  - Senior General Manager, Asset Maintenance Department, Transmission Division (2007):
    - › Responsible for effectively managing transmission project management to ensure adherence to contractual specifications, costing and timely completion.
  - Vice President (Transmission), TNB (2010–2016):
    - › Managed the overall performance of TNB's transmission business, overseeing electricity transportation, asset management, and network operations.

Other Current Board Memberships:

- NIL.

DATO' MOHD NAIM DARUWISH

Non-Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
8/9

Gender	Age	Nationality
Male	66	Malaysian

Note:
Dato' Mohd Naim does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 29 April 2021

Board Memberships and Committees:
BRIC (Member) and **BPC** (Member)

Academic/Professional Qualifications:

- Bachelor of Law (LLB), Universiti Malaya.

Past Appointments/Experiences

- **Career Journey:**
  - Began his career in the Judiciary and Legal Services as a Magistrate (1985–1992).
  - Joined the Employees Provident Fund (EPF) in 1992 and held multiple leadership roles, including:
    - › Head of the Enforcement Department.
    - › Head of the Legal Department.
    - › Head of the Contribution Department.
  - Seconded to the Companies Commission of Malaysia as Chief Executive Officer (December 2011 to September 2014).
  - Returned to EPF as Deputy Chief Executive Officer (Operations) from 1 October 2014 until retirement on 16 October 2021.

Other Current Board Memberships:

- NIL.

DR. NORIDA ABDUL RAHMAN

Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
9/9

Gender	Age	Nationality
Female	64	Malaysian

Note:
Dr. Norida does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 1 August 2022

Board Memberships and Committees:

BNRC (Chairperson) and **BPC** (Member)

Academic/Professional Qualifications:

- PhD in Mechanical Engineering (Technology Management), Universiti Teknologi MARA (UiTM).
- Master of Business Administration (MBA) (Elective Finance), University of Strathclyde, United Kingdom.
- Bachelor's Degree in Economics, University of Winnipeg, Canada.
- Executive Leadership Management Programmes in Finance Strategy, The Wharton School, University of Pennsylvania, USA.

Past Appointments/Experiences

- **Career Journey:**
  - Managing Director of VentureTECH (until retirement in February 2023).
  - Board Member in multiple investee companies, including:
    - › Chairman of a joint-venture Fund Management private equity company, VentureTECH SBI Sdn. Bhd. and its Investment Committee accordingly.
  - Senior Vice President and Chief Operating Officer at Malaysian Industry-Government Group for High Technology (MIGHT) since 1999.
  - Executive Director at MIGHT subsidiary and associate company level.
- **Previous Board Memberships in Other Companies:**
  - Chairman, MYBiomass Sdn. Bhd.
  - Board Member, Melaka Biotechnology Corporation.
  - Executive Director, Malaysia Automotive Institute (now MARii) and Venture Tech.
  - General Manager Corporate, Kulim Technology Park Corporations.

Other Current Board Memberships:

- Member of the Board of Alam Flora Sdn. Bhd., subsidiary of Malakoff.

DATUK PRAKASH CHANDRAN MADHU SUDANAN

Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
8/9

Gender	Age	Nationality
Male	63	Indian

Note:
Datuk Prakash does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 1 March 2023

Board Memberships and Committees:

BAC (Member), **BRIC** (Member) and **BNRC** (Member)

Academic/Professional Qualifications:

- Bachelor of Technology in Electrical Engineering, University of Kerala, India (1985).
- Certified Professional Electrical Engineer, Australia by ENGINEERS Australia.
- Admitted into the Court of Emeritus Fellows of the Malaysian Institute of Management (MIM) in 2017.

Past Appointments/Experiences

- **Career Journey:**
  - Began his career as Project Engineer at Crompton Greaves Ltd, India (1986).
  - Joined ABB Industrial & Building Systems Sdn. Bhd., Malaysia as General Manager and several other roles (1990 – 1996).
  - Siemens Malaysia Sdn. Bhd. (Siemens Malaysia):
    - › Senior Vice President and other positions, Power Transmission & Distribution (PTD) (1996 – 2008).
    - › Executive Vice President & Head of Siemens Energy Sector, ASEAN (August 2008 – July 2011).
    - › President & CEO of Siemens Malaysia (2009 – 2018), becoming the first Asian to hold this position.
- **Previous Board Memberships in Other Companies:**
  - President Director & CEO of PT. Siemens Indonesia (October 2017 – September 2021).
  - Director of Siemens Limited Thailand (2009 – 2012).
  - Member of the Board of Commissioners of PT. Java Power Indonesia and PT. Siemens Mobility Indonesia during his tenure in Indonesia.

Other Current Board Memberships:

- Member of the Board of Petron Malaysia Refining & Marketing Berhad.

DATUK WIRA ROSLAN AB RAHMAN

Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
9/9

Gender	Age	Nationality
Male	69	Malaysian

Note:
Datuk Wira Roslan does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 1 June 2023

Board Memberships and Committees:

BRIC (Chairman), **BAC** (Member) and **BNRC** (Member)

Academic/Professional Qualifications:

- Ordinary National Diploma in Engineering, Brighton Technical College, England (1977).
- Bachelor of Science in Electrical Engineering, University of Southampton, England (1980).

Past Appointments/Experiences

- **Career Journey:**
  - Began his career with Lembaga Letrik Negara (now Tenaga Nasional Berhad (TNB) in 1980.
  - Retired in December 2022 after 42 years of service in various management capacities.
  - Served in multiple districts across Malaysia, overseeing:
    - › Planning, construction, operations and maintenance of the electrical system.
    - › Being directly involved in the early Rural Electrification Program (Bekalan Elektrik Luar Bandar) to supply electricity to the kampung and villages of the country.
  - Instrumental in industrial relations, fostering better work culture and harmony with employees and unions.
  - Played a key role in customer services and commercial operations, working closely with:
    - › Malaysia Investment Development Authority (MIDA) to facilitate electricity supply for big investments and the Foreign Direct Investments (FDIs).
    - › Federation of Malaysian Manufacturers (FMM) and Federation of Malaysian Consumers Association (FOMCA) to address stakeholder concerns.
  - Chief Corporate Officer, serving as the company's spokesperson, advising the CEO and Board of Directors on corporate communications.
  - Chief Regulatory and Stakeholder Management Officer, working with:
    - › Ministry of Energy and Natural Resources (KETSA) and Energy Commission (EC) on national energy policies.
    - › International front, represented as the Country Coordinator in Head of ASEAN Power Utility (HAPUA) and Association of Energy Supply Industry of East Asia and Asia Pacific (AESIEAP).
  - His tenure at TNB was extended by six years beyond retirement age due to his invaluable contributions to the company and industry.

Other Current Board Memberships:

- Member of the Board of Varia Berhad and BM Greentech Berhad.

PUAN LIM TAU KIEN

Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
9/9

Gender	Age	Nationality
Female	70	Malaysian

Note:
Puan Lim does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 1 June 2024

Board Memberships and Committees:

BAC (Chairperson) and **BNRC** (Member)

Academic/Professional Qualifications:

- Chartered Accountant.
- Member of the Institute of Chartered Accountants of Scotland.
- Member of the Malaysian Institute of Accountants.

Past Appointments/Experiences

- **Career Journey:**
  - Started her career with Ernst & Young, United Kingdom.
  - Served as a Federal Accountant at the Ministry of Finance and Prime Minister's Department, Malaysia.
  - Joined Royal Dutch Shell Group, holding various senior positions over 25 years across Malaysia, Australia, and China.
  - Country Chief Financial Officer / Finance Director / Country Controller of Shell Companies in China (2004 – 2008).
- **Previous Board Memberships in Other Companies:**
  - Director of listed and non-listed companies in Malaysia and China since 1997.
  - Served on public listed companies, including:
    - Shell Refining Company (FOM) Berhad.
    - Hong Leong Financial Group Berhad.
    - Malaysian Pacific Industries Berhad.
    - Hengyuan Refining Company Berhad.
  - Other directorships include:
    - Labuan-Beaufort Interconnection Sdn. Bhd.
    - Labuan Water Supply Sdn. Bhd.
    - Shell MDS (Malaysia) Sdn. Bhd.
    - Shell Treasury Malaysia (L) Limited.
    - Shell China Exploration and Production Co Ltd.
    - Shell (China) Limited.
    - UEM Group Berhad.
    - Digital Nasional Berhad.
    - HLA Holdings Sdn. Bhd.

Other Current Board Memberships:

- Member of the Board GLM REIT Management Sdn. Bhd.

DATO' MOHAMAD RAZIF HAJI ABD MUBIN

Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
8/8

Gender	Age	Nationality
Male	58	Malaysian

Note:
Dato' Mohamad Razif does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment: 11 March 2025

Board Memberships and Committees:

BRIC (Member) and **BPC** (Member)

Academic/Professional Qualifications:

- Bachelor of Economics (Hons.) from International Islamic University Malaysia.
- Master's in Business Administration from Multimedia University.

Past Appointments/Experiences

- **Career Journey:**
  - Began his career as Assistant Secretary (Finance) at the Ministry of Land and Cooperative Development in 1995.
  - Held various strategic positions across multiple ministries throughout his career.
  - Appointed as Deputy Secretary General (Energy) of the Ministry of Energy Transition and Water Transformation (PETRA), serving until his retirement in February 2025.
- **Previous Board Memberships in Other Companies:**
  - Interim Chairman of Energy Commission Malaysia.
  - Director of Energy Commission Malaysia, MyPower Corporation, Malaysian Green Technology and Climate Change Corporation (MGTC), and other statutory bodies.

Other Current Board Memberships:

- NIL.

BOARD OF DIRECTORS' PROFILE

DATO' MOHD NAZRUL IZAM MANSOR
Non-Independent
Non-Executive Director

BOARD MEETING ATTENDANCE:
NIL

Gender	Age	Nationality
Male	51	Malaysian

Note:
Dato' Nazrul does not hold any interest in the securities of the Company or its subsidiaries.



Date of Appointment:12 March 2026

Board Memberships and Committees:

NIL.

Academic/Professional Qualifications:

- Bachelor of Commerce, University of Queensland, Brisbane, Australia.
- Chartered Accountant and a member of the Malaysian Institute of Accountants.
- Fellow of CPA Australia.
- Advanced Management Program, Melbourne Business School, Australia.

Past Appointments/Experiences

- **Career Journey:**
  - He brings over 27 years of experience in finance, governance, and corporate leadership across diverse sectors.
  - He has led key ESG initiatives, strengthening governance, advancing responsible sourcing, boosting productivity, and uplifting rural and smallholder communities nationwide.
  - He has spearheaded remediation and stakeholder engagement efforts, reinforced transparency and ethical practices, and aligned operations with global sustainability standards showcasing how resilience and responsibility can advance together.
  - He has held several senior leadership positions including Group Chief Executive Officer of FGV Holdings Berhad.
  - Group Chief Executive Officer of FELCRA Berhad.

Other Current Board Memberships:

- Group Chief Executive Officer of MMC Corporation Berhad.

Legend

BAC : Board Audit Committee
BNRC : Board Nomination and Remuneration Committee
BRIC : Board Risk and Investment Committee
BPC : Board Procurement Committee

Additional information in relation to the Board of Directors

i. None of the Directors has any family relationship with any Director and/or major shareholder of the Company.
ii. None of the Directors has any conflict of interest with the Company or its subsidiaries.
iii. Other than traffic offences, none of the Directors has been convicted for any offences within the past five years nor has been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

EXECUTIVE LEADERSHIP AT A GLANCE



SYAHRUNIZAM SAMSUDIN
Group Chief Executive Officer
Management Committee

MOHD NAZERSHAM MANSOR
Chief Financial Officer
Management Committee

VINCENT YAP LENG KHIM
Senior Vice President, Corporate Services
Management Committee



MOHD KOPLI YUNUS
Senior Vice President, Thermal Division
Management Committee

SHARIMAN YUSUF MOHAMED ZAIN
Chief Executive Officer, Alam Flora Sdn. Bhd.
Management Committee

SHAJARATUDDUR IBRAHIM
Head, Business Development Department
Ex Officio



ADI FAIMI MOHAMED HANEEF
Covering Head, Risk & HSSE
Ex Officio

HAIRUZZAMAN SAGI
Head, People Division
Ex Officio

MASLEENA HAFIZA MAHDI
Acting Head, Corporate Planning
Ex Officio



IR. MADHU SOOTHANAN VELAYUTHAM
Head, Project Management Services Department
Ex Officio

FIONA SHARDIN
Head, Legal Department
Ex Officio

LIONEL FOK WHYE SERN
Head, Project Delivery
Ex Officio

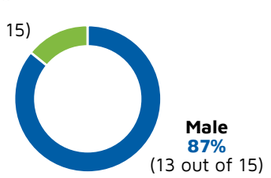


MOHAMAD LUTFI SAMSUDIN
Head, Technical (Special Projects)
Ex Officio

MOHAMAD MUHAZNI MUKHTAR
Chief Operating Officer, Alam Flora Sdn. Bhd.
Ex Officio

MOHD HADI MOHAMED ANUAR
Chief Internal Auditor,
Ex Officio

Age Diversity		Gender Diversity
30-39 years old	**40-49 years old**	**Female** 13% (2 out of 15)
0	3	
50-59 years old	**>59 years old**	**Male** 87% (13 out of 15)
12	0	



EXECUTIVE LEADERSHIP'S PROFILE



SYAHRUNIZAM SAMSUDIN

Group Chief Executive Officer
Management Committee

Gender	Age	Nationality
Male	53	Malaysian

Academic/Professional Qualifications

- Bachelor of Commerce in Accounting and Bachelor of Laws (LLB) with Honours, Australian National University, Australia
- Executive Diploma from Oxford University (Saïd Business School)
- Member, Harvard Club of Malaysia
- Member, Institute of Marketing Malaysia

Past Appointments/Experiences

- Appointed Group Chief Executive Officer of Malakoff Corporation Berhad (Malakoff) on 1 September 2025, following a tenure as Managing Director and Chief Executive Officer of UEM Edgenta Berhad.
- He previously served as Chief Executive Officer of Touch 'n Go Sdn. Bhd., where he led the organisation through a comprehensive digital transformation, including the establishment of the Touch 'n Go eWallet via a joint venture with Ant Financial.
- He also held senior leadership roles as Chief Executive Officer of MTU Services (Malaysia) Sdn. Bhd. and President of Scomi Engineering Berhad, overseeing complex operations and regional business portfolios.
- Earlier in his career, he played a key role in the establishment of several technology ventures, including SBS Technology Solutions and Ata Plus, and was involved in the establishment of iPerintis, now Petronas ICT Sdn. Bhd., where he later served as Chief Operating Officer and Head of Operations.

Note:
Syahrunizam Samsudin does not hold any interest in the securities of the Company or its subsidiaries.



MOHD NAZERSHAM MANSOR

Chief Financial Officer
Management Committee

Gender	Age	Nationality
Male	53	Malaysian

Academic/Professional Qualifications

- Degree in Accounting & Finance, De Montfort University, United Kingdom
- Fellow of the Association of the Chartered Certified Accountants (FCCA), United Kingdom
- Member of Malaysian Institute of Accountants
- ASEAN Senior Management Development Program, Harvard Business School

Past Appointments/Experiences

- Began his career with KPMG, Malaysia in 1997 as an auditor and later joined MMC Corporation Berhad in 2000 as Group Accountant.
- Between 2004 and 2012, he served at Sapura Group of Companies and was the General Manager, Corporate Strategy & Development, his last position before he joined Petra Energy Berhad.
- Assumed the position of General Manager of MMC Group from 2014 to 2016 and was previously the CFO for MMC Port Holdings Sdn. Bhd.
- Covered the provision of services for accounting, financial management, taxation, treasury and corporate finance in over 20 years of experience.
- Currently sits on the board of key subsidiary and associate companies under Malakoff.

Note:
Mohd Nazersham Mansor holds 16,000 ordinary shares in the Company.



VINCENT YAP LENG KHIM

Senior Vice President, Corporate Services
Management Committee

Gender	Age	Nationality
Male	52	Malaysian

Academic/Professional Qualifications

- Bachelor of Laws (Hons), University of Nottingham, United Kingdom
- Barrister-at-Law, Lincoln's Inn, United Kingdom
- Advocate & Solicitor, High Court of Malaya

Past Appointments/Experiences

- Started his career in the legal profession as an Advocate & Solicitor at Chooi & Company in 1998, focusing on capital market, initial public offerings and corporate exercises. He was a key member of the legal team undertaking a series of mergers and acquisitions of banks and financial institutions during the late 1990s after the Asian financial crisis.
- Admitted as a Partner of Albar & Partners, Advocates & Solicitors, in 2006, where he focused on joint ventures, corporate restructuring, reverse take-overs of public listed companies, debt capital market, structured finance and asset backed securitisation.
- Joined Zelan Berhad as Head of Group Legal in 2009 and appointed as Director of Corporate Services in 2011. He was extensively involved in the conclusion of two concession agreements with Government of Malaysia, for a new integrated transport terminal and the public university. He was instrumental in driving the completion and commercial operation of a 2 x 300 MW coal-fired power plant in Central Java, Indonesia for PT PLN (Persero) and the successful claim against the project owner of an AED1 billion development project in Abu Dhabi, United Arab Emirates through ICC arbitration.
- At Malakoff, he spearheaded the completion of significant transactions, including the sale of Macarthur Wind Farm to an Australian investment fund, sale of Lekir Bulk Terminal, acquisition of Khazanah Nasional Berhad's entire equity interest in Shuaibah III IWPP and acquisition of Alam Flora Sdn. Bhd. In addition, he has been playing a key role in strategising and managing both local and international legal disputes, notably the ICC arbitration in relation to a seawater desalination project in North Africa, SIAC arbitration with the OEM for a Combined Cycle Gas Turbine (CCGT) power plant, AIAC arbitration pertaining to district cooling services, judicial review against IRB tax assessment at the High Court of Malaya, appeal against an interim ICC jurisdictional award at the Paris Court of Appeal and appeal against a custom penalty at the Supreme Court of Algeria.
- Currently sits on the board of key subsidiaries/associate companies under Malakoff.

Note:
Vincent Yap Leng Khim does not hold any interest in the securities of the Company or its subsidiaries.



MOHD KOPLI YUNUS

Senior Vice President, Thermal Division
Management Committee

Gender	Age	Nationality
Male	55	Malaysian

Academic/Professional Qualifications

- Bachelor of Mechanical Engineering, University Technology of Malaysia
- Competency Certificate as a Steam Engineer Grade 1

Past Appointments/Experiences

- Began his career at Malakoff in 1995 as an Instrumentation Technician in the Maintenance Department and later joined the Production Department.
- Over time, he progressed through various roles within the Production Department, including Shift Supervisor, Head of Shift, Operations & Maintenance (O&M) Specialist, Head of Production and appointed to the position of Plant Manager at Tanjung Bin Power Plant (TBPP) from July 2018 until March 2023.
- His last position was as Head of Operations and Maintenance (O&M) and Commercial, which he held from April 2023 until March 2024, before assuming his current role as Senior Vice President, Local Generation Division.
- He has 30 years of working experience in the power industry.
- Currently sits on the board of key subsidiaries/associate companies under Malakoff.

Note:
Mohd Kopli Yunus does not hold any interest in the securities of the Company or its subsidiaries.



SHARIMAN YUSUF MOHAMED ZAIN

Chief Executive Officer - Alam Flora Sdn. Bhd.
Management Committee

Gender	Age	Nationality
Male	51	Malaysian

Academic/Professional Qualifications

- Bachelor of Economics (Accounting & Finance) from the London School of Economics and Political Science (LSE) in 1996
- Attended the Global Leadership Programme at Cranfield University, UK in 2015
- Advanced Management Programme (AMP Class 205) at Harvard Business School, Harvard University in 2023

Past Appointments/Experiences

- Nearly 30 years of experience in strategic leadership, operational excellence and innovation with his most recent role as the Managing Director of Edgenta Propel Berhad, a key player in the infrastructure services sector in the country. During his time at Propel, the business grew substantially from maintaining over 3,000 km of highway and state/rural roads in 2020 to over 9,000 km in 2024.
- Represented UEM Edgenta as a board member in PT Edgenta Propel Indonesia, Edgenta Facilities Management LLC (UAE) and Edgenta Arabia Limited (Saudi Arabia).
- Over 20 years of experience in key roles at leading multinational companies, including Shell, Deloitte Consulting, Siemens and General Electric with his last position as the first Malaysian CEO of the Mobility Division in Siemens Malaysia. His major coup for Siemens was successfully securing two system packages, rolling stock (trains) and depot for the first MRT line in Kuala Lumpur. The projects were well delivered on time in 2017.
- Overseas assignment with Siemens, Germany (2010-2011).

Note:
Shariman Yusuf Mohamed Zain does not hold any interest in the securities of the Company or its subsidiaries.



SHAJARATUDDUR IBRAHIM

Head, Business Development Department
Ex Officio

Gender	Age	Nationality
Male	52	Malaysian

Academic/Professional Qualifications

- Bachelor of Laws (Hons), University of Nottingham, United Kingdom

Past Appointments/Experiences

- Started his career with Tenaga Nasional Berhad (TNB) in September 1997, as a legal executive, handling projects and business development matters.
- During his 16-year tenure with TNB, he was instrumental in various key projects and ventures, including TNB's tariff reviews and Power Purchase Agreements (PPA) renegotiation exercises, privatisation of Lembaga Letrik Sabah, divestments of TNB's local power plants and coal mine in Indonesia.
- His last position in TNB was as General Manager in the President's/CEO's Office before leaving to assume the role of Senior Vice President of Investment at Khazanah Nasional in February 2010 to oversee the power sector and Iskandar Development Region.
- Joined Malakoff in October 2012 as an Assistant Vice President of Special Projects. Since joining Malakoff, he had led a number of corporate and investment exercises leading to the successful bid for PD Power's extension of PPA concession, acquisition of interest in a large scale solar project in Johor, winning bids for the development of two small hydropower projects in Pahang with total capacity of 55 MW and two biogas projects in Johor. One of major corporate exercise that he has steered is the completion of the acquisition of 97.37% equity interest in Alam Flora Sdn. Bhd. from DRB-HICOM Berhad.
- Key transactions that he has steered and concluded include, the acquisition of the controlling interest (70%) in RPHK Hydro Sdn. Bhd. (84 MW) project in Kelantan and the acquisition of the remaining interests in ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd., resulting in both entities becoming wholly-owned subsidiaries of Malakoff.
- He also led the negotiation on the acquisition of a 49% equity interest in E-Idaman Sdn. Bhd., the biggest waste collection and public cleansing company in the northern region of Peninsular Malaysia.
- One of the key team members in formulating the Malakoff's current Investment Policy and strategic plan.
- In his capacity and current role as the Head of Business Development Department in Malakoff, he will continue to explore and pursue potential investments and growth opportunities, locally and internationally.
- Currently sits on the board of key subsidiaries/associate companies under Malakoff.

Note:
Shajaratuddur Ibrahim holds 26,000 ordinary shares in the Company or its subsidiaries.



ADI FAIMI MOHAMED HANEEF

Covering Head, Risk & HSSE
Ex Officio

Gender	Age	Nationality
Male	50	Malaysian

Academic/Professional Qualifications

- Bachelor of Applied Science (Hons) with Major in Entomology and Minor in Management, Universiti Sains Malaysia (USM)
- Safety and Health Officer Certificate, National Institute of Safety & Health (NIOSH)
- Professional Business Continuity Management Certificate, Disaster Recovery Institute International (DRII)
- ISO 31000 Risk Manager Certificate, Professional Evaluation and Certification Body (PECB)
- Certified Lean Six Sigma Black Belt
- Integrated ISO Lead Assessor, SIRIM
- Lead Auditor ISO 37001 Anti-Bribery Management System (SIRIM)

Past Appointments/Experiences

- Started his career as a Technical Executive at Toyochem Corporation Berhad in 2000 and spent the next five years in the servicing, packaging and coating industries.
- Switched career to oil and gas downstream integrated services by joining Orogenic Resources Sdn. Bhd. in 2006.
- Joined Malaysian International Shipping Corporation Berhad (MISC) as the QHSSE Manager in 2010 and spent close to two years managing FPSO's RLEC and EPCIC projects at MMHE specialising in project QHSSE and Risk.
- He then joined the Chemical Company of Malaysia as the Head of Group HSSE in 2012.
- Joined Malakoff as Head, Group Corporate HSSE in 2015 and was reassigned as the Head, Business Process Improvement in 2018. He is now the Head of Risk, Process Improvement and Integrity Department.

Note:
Adi Faimi Mohamed Haneef does not hold any interest in the securities of the Company or its subsidiaries.



HAIRUZZAMAN SAGI

Head, People Division
Ex Officio

Gender	Age	Nationality
Male	55	Malaysian

Academic/Professional Qualifications

- Master's Degree in Human Resource Management, Universiti Utara Malaysia (UUM)

Past Appointments/Experiences

- Serves as Head, People Division of Malakoff, bringing over 30 years of leadership experience in human resource across multiple industries. His career spans the semiconductors, manufacturing, oil and gas, engineering, retail, plantation, aviation and logistics sectors.
- He has led and delivered comprehensive human capital and talent management strategies with organisations including SD Guthrie Berhad (formerly Sime Darby Plantation), Pos Malaysia, Malaysia Airports, Carrefour and KUB Malaysia.
- His expertise covers the full spectrum of human resources, including strategic business partnering, employee and industrial relations, employee engagement, internal communications, talent management, and learning and development.
- He has also held regional and international leadership roles across Southeast Asia, Africa and Europe, developing strong global exposure and the ability to align people strategies with business imperatives.

Note:
Hairuzzaman Sagi does not hold any interest in the securities of the Company or its subsidiaries.

EXECUTIVE LEADERSHIP'S PROFILE



MASLEENA HAFIZA MAHDI

Acting Head, Corporate Planning
Ex Officio

Gender	Age	Nationality
Female	50	Malaysian

Academic/Professional Qualifications

- Bachelor of Arts (Hons) in International Business Administration, University of Northumbria at Newcastle, England
- Business Management Programme, University of Nottingham Malaysia
- Certified Sustainability and ESG Practitioner, Center for Industry Certifications and Professional Development (CICPD) partnering with Universiti Tun Hussein Onn Malaysia
- Certified Carbon Trading Practitioner, CICPD

Past Appointments/Experiences

- Appointed as Head of Sustainability, Research and Investor Relations in November 2024, she was later re-designated to the role of Acting Head, Corporate Planning. She brings with her over 20 years of corporate experience across public listed companies in Malaysia.
- She previously served as Head of Investor Relations at Maxis Berhad, where she was responsible for engagement with the investment community, analysts and key stakeholders, and was a member of the Maxis Crisis Council, supporting communication during crisis situations.
- During her tenure, she led efforts to enhance sustainability disclosures in Maxis' Integrated Annual Report, contributing to improvements in the company's FTSE4 Good Bursa Malaysia Index's score.
- Prior to that, she held the position of Head of Investor Relations and Corporate Finance at UEM Sunrise Berhad, overseeing investor relations strategy and corporate initiatives. Under her leadership, the team received multiple recognitions at the National Annual Corporate Report Awards and the Australasian Reporting Awards, including a Special Award for Integrated Reporting.
- She possesses extensive expertise in stakeholder engagement, investment community management, corporate deal management, policy development and regulatory compliance, and has received multiple nominations under the Malaysia Investor Relations Awards organised by the Malaysian Investor Relations Association.

Note:
Masleena Hafiza Mahdi does not hold any interest in the securities of the Company or its subsidiaries.



IR. MADHU SOOTHANAN VELAYUTHAM

Head, Project Management Services Department
Ex Officio

Gender	Age	Nationality
Male	54	Malaysian

Academic/Professional Qualifications

- Bachelor of Science (Hons) in Mechanical Engineering, Universiti Teknologi Malaysia (UTM)
- Professional Engineer with Practising Certificate (PEPC), Board of Engineers Malaysia
- ASEAN Chartered Professional Engineer (ACPE)

Past Appointments/Experiences

- Began his career in 1997 as a Mechanical Engineer with Genting Sanyen Power, where he developed a strong foundation in power plant engineering and operations.
- He subsequently served as Project Director for the North Bangkok 2 CCGT Project, delivering the project on schedule and within budget. He later held senior leadership roles at GE Power Solutions, including General Manager, Projects EPC (CCGT), overseeing large scale power generation projects.
- He was later appointed Region Projects Leader (Hydro) at GE Renewable, where he was responsible for project execution and delivery across Asia, spanning diverse regulatory and operating environments.
- He joined Malakoff in October 2025 as Technical Advisor in the Group Chief Executive Officer's Office and was subsequently appointed Head, Project Management Services Department. In this role, he leads the development and delivery of ongoing and upcoming projects across the Group, supporting Malakoff's growth and strategic expansion.

Note:
Ir. Madhu Soothanan Velayutham does not hold any interest in the securities of the Company or its subsidiaries.

EXECUTIVE LEADERSHIP'S PROFILE



FIONA SHARDIN

Head, Legal Department
Ex Officio

Gender	Age	Nationality
Female	50	Malaysian

Academic/Professional Qualifications

- Bachelor of Laws (Hons.), International Islamic University Malaysia
- Advocate & Solicitor of High Court of Malaya

Past Appointments/Experiences

- Graduated in 2000 and was admitted as an Advocate & Solicitor of the High Court of Malaya in 2001. She began her legal career in private practice and later became a Partner at Hisham, Sobri & Kadir, Advocates & Solicitors.
- Her practice encompassed a broad range of corporate and commercial legal matters, including acquisitions and disposals, joint venture arrangements, general corporate advisory work, and property and real estate transactions.
- She subsequently joined MMC Corporation Berhad, where she served for eight years, with her last position as Assistant General Manager, providing in-house legal support across MMC's diverse business portfolios.
- She joined Malakoff on 2 January 2025 as Head, Legal Department under the Corporate Services Division, overseeing legal, contractual and advisory matters for the Group.
- She brings approximately 17 years of legal practice experience and nine years of in-house legal experience across the ports and logistics, energy and utilities, engineering and land development sectors.

Note:
Fiona Shardin does not hold any interest in the securities of the Company or its subsidiaries.



LIONEL FOK WHYE SERN

Head, Project Delivery
Ex Officio

Gender	Age	Nationality
Male	47	Malaysian

Academic/Professional Qualifications

- MBA, with specialty in Strategic Project Management, Paris Graduate School of Management
- Bachelor of Science in Electrical Engineering, Wichita State University
- Practicing Certificate as Registered Energy Manager (Type 1)

Past Appointments/Experiences

- He has more than 20 years of experience within the power plant industry, having worked with IPPs and EPCC Contractors.
- Amongst the projects he has been involved in as a Project Developer is a 720 MW CCGT plant in Malaysia, and a 2,200 MW CCGT and 160 MIGD of seawater desalination in the UAE. He was also a member of the due diligence team which acquired several power plants in Egypt, Sri Lanka, Bangladesh and Pakistan.
- He also worked with Alstom, a global OEM and EPCC for power plants, as Tender Manager for Construction & Commissioning works, where he participated in various CCGT Tenders within the ASEAN region. Subsequently, he undertook the role as Project Construction & Commissioning Manager for a 234 MW CCGT project in Indonesia.
- He joined Malakoff Utilities Sdn. Bhd. (MUSB) in 2018 as its Head of Company. At MUSB he was responsible for the safe, reliable, and efficient operation of a 13,000 RT district cooling plant and an electricity distribution system with licensed capacity of 153 MW within the KL Sentral enclave.
- In 2023, he was transferred to Malakoff Technical Solutions Sdn. Bhd. In this role, he was tasked with formulating and establishing strategies, marketing, development, management and execution of O&M, Maintenance Repair & Overhaul (MRO) and Technical Training to support Malakoff's growth objectives. At the end of 2025, he was re-assigned as Head of Project Delivery, overseeing the execution of new power plant projects.

Note:
Lionel Fok Whye Sern does not hold any interest in the securities of the Company or its subsidiaries.



MOHAMAD LUTFI SAMSUDIN

Head, Technical (Special Project)
Ex Officio

Gender	Age	Nationality
Male	49	Malaysian

Academic/Professional Qualifications

- Doctor of Philosophy (Engineering), Universiti Tenaga Nasional, Malaysia
- Bachelor of Engineering (Hons) in Mechanical Engineering, Imperial College London, United Kingdom
- DOSH Steam Engineer (Grade 1)
- Registered Energy Manager (Type 1)

Past Appointments/Experiences

- Joined Malakoff in March 2000 as an engineer in the Business Development Department. He subsequently gained extensive technical and engineering experience through assignments with the Operations and Maintenance (O&M) team in the Centralised Utilities Facility in Kerteh, Prai Power Plant and Lumut Power Plant.
- He was later transferred to the Engineering Department at Head Office, where he oversaw the operations of Malakoff's generating assets and provided engineering services to external parties. He was subsequently appointed Principal Engineer (Mechanical), assuming responsibility for technical oversight and specialised engineering functions.
- Since 2020, he has led the Engineering Department in the Head Office, a multidisciplinary team consisting of subject matter experts, performance engineers and reliability engineers, providing technical support and services across divisions within Malakoff and for external clients.

Note:
Mohamad Lutfi Samsudin holds 38,000 ordinary shares in the Company.



MOHAMAD MUHAZNI MUKHTAR

Chief Operating Officer, Alam Flora Sdn. Bhd.
Ex Officio

Gender	Age	Nationality
Male	58	Malaysian

Academic/Professional Qualifications

- Master of Business Administration, MARA Institute of Technology, Ohio University
- Master of Science in Business Leadership, Newcastle Business School, Northumbria University
- Bachelor of Business Administration, University of Iowa
- Certificate in Healthcare Facility Management, International Islamic University, Malaysia

Past Appointments/Experiences

- With over 35 years of experience in toll operations, technology, pharmaceutical and facilities management, he has held key roles in various industries.
- Began his career at PLUS Expressway Berhad in 1994, overseeing financial analysis, business planning and coordination of special projects along the North-South Expressway.
- As General Manager of Operations and Project Management at Touch 'n Go Sdn. Bhd., he played a key role in launching Asia's first integrated contactless smartcard payment system and managed operations across 20 toll concessions.
- At Faber Facilities Sdn. Bhd., he served as Chief Operating Officer, driving operational efficiency and introducing green building initiatives.
- As President Director of PT Millennium Pharmacon International Tbk, he led growth strategies that resulted in a 14% CAGR in revenue.
- In 2020, as Head of Pristine Pharma Sdn. Bhd., he implemented strategies that achieved revenue increases and reduction in losses.
- In 2021 at UEM Edgenta Berhad, he served as Chief Operating Officer for Edgenta Healthcare Solutions, focusing on technology-driven operational optimisation and COVID-19 response.
- Joined Dura Technology Sdn. Bhd. in 2023 as Chief Operating Officer, leading operational strategies and improving company performance.
- In 2025, he assumed the role of Chief Operating Officer at Alam Flora Sdn. Bhd., where he led the Operations Division.

Note:
Mohamad Muhazni Mukhtar does not hold any interest in the securities of the Company or its subsidiaries.



MOHD HADI MOHAMED ANUAR

Chief Internal Auditor
Ex Officio

Gender	Age	Nationality
Male	48	Malaysian

Academic/Professional Qualifications

- Bachelor of Arts (Hons) in Accounting and Finance, Manchester Metropolitan University, United Kingdom.
- Associate Member of the Association of Certified Fraud Examiners and the Institute of Internal Auditors Malaysia (AIIA).

Past Appointments/Experiences

- More than 20 years of audit experience and currently leads the Group Internal Audit of Malakoff which is responsible to support the Board Audit Committee and the Board in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation.
- Started his career as an auditor with Arthur Andersen/Ernst & Young in 2000.
- Subsequent thereto, he joined Petroliam Nasional Berhad (PETRONAS) in 2005 until 2011 where he assumed the role of Audit Manager in the Group Internal Audit Division of PETRONAS.
- During his tenure with PETRONAS, he was also assigned to KLCC Holdings Berhad (KLCC) to set up and lead the Group Internal Audit Division of KLCC Group and was the acting Head of the Division for almost 2 years before returning to PETRONAS.
- Prior to joining Malakoff, he was the Head of Joint Venture Audit Department of PETRONAS Carigali Sdn. Bhd. from 2012 to 2016 and was responsible to oversee all joint venture audits on PETRONAS upstream business joint ventures with other oil and gas companies/partners in Malaysia and overseas.

Note:
Mohd Hadi holds 42,400 ordinary shares in the Company.

Additional information in relation to the Management Committee Members and Chief Internal Auditor

i. None of the Management Committee Members and Chief Internal Auditor has any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

ii. None of the Management Committee Members and Chief Internal Auditor has been convicted for any offences within the past five (5) years nor has been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year under review.



PERSPECTIVES

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REFLECTIONS FROM OUR CHAIRMAN

Dear Shareholders,

I am honoured to carry forward the stewardship of Malakoff Corporation Berhad (Malakoff or the Group) at a time of meaningful transition and renewed ambition, since assuming my appointment to the Board as Chairman on 1 March 2026. It is a responsibility I embrace with a deep sense of purpose, guided by the trust placed in me by the Board and driven by the commitment to lead the Group with clarity, integrity and strategic focus.

Malakoff's development has closely mirrored Malaysia's own energy journey, from supporting industrial expansion to meeting today's evolving expectations. This progress aligns with national priorities that outline the country's transition towards lower-carbon, resilient and inclusive socioeconomic development. As we proceed under the National Energy Transition Roadmap (NETR) strategic blueprint to accelerate clean energy deployment, enhance climate resilience and steer the nation towards a high value green economy, we are also advancing the nation's wider ambitions in circularity, resource efficiency and green economic development as planned under the Circular Economy Blueprint for Solid Waste in Malaysia (2025–2035).

Marking five decades of operations, Malakoff's role continues to be anchored in the dependable supply of power, while progressively adapting its portfolio and capabilities to remain relevant in a changing business landscape.
50 years on, Malakoff continues to evolve into an integrated Energy and Environmental Solutions provider. Built on decades of operational experience, a commitment to decarbonisation and a clear ambition for cleaner energy, we are responding to rising energy demand and increasing climate volatility with measured innovation, while remaining grounded in the operational strengths and institutional experience that defines us.

2025 unfolded against a complex operating backdrop, marked by persistent cost pressures, evolving regulatory expectations and structural adjustments in the energy market dynamics. These challenges were accompanied by a stronger national push towards cleaner energy pathways, as Malaysia deepened its commitment to renewable deployment and low-carbon development under its long-term transition policies. Within this environment, our priority has remained on safeguarding financial and operational soundness through rigorous oversight of risk management, capital allocation and asset performance.



TAN SRI WAN ZULKIFLEE WAN ARIFFIN
Independent Non-Executive Chairman

50 years on, Malakoff continues to evolve into an integrated Energy and Environmental Solutions provider

In Malaysia, the energy trilemma of balancing energy security, environmental sustainability and affordability continues to guide national policy and sector priorities. This places greater expectations on industry players to ensure reliability, decarbonisation and affordability progress in tandem with Malakoff remaining a key pillar of the nation's energy system.

Our long operational history, diversified asset base and proven reliability position us to support the country's evolving needs while contributing to its transition ambitions. Energy security, sustainability and affordability are interdependent considerations that continue to influence Board deliberations. These considerations influence how risks are assessed, how capital is deployed and how the Group's portfolio is managed across different stages of the energy transition. In the Malaysian context, the transition is inherently non-linear and gradual, with conventional assets remaining essential to ensuring system reliability and meeting contracted power supply obligations.

The year also saw persistent geopolitical tensions in the Middle East, which continued to influence global oil and gas markets, intensifying uncertainty around supply security and shipping routes. Although Malakoff's reliance on domestic and regional gas producers insulates the Group from direct supply disruptions, prolonged instability may still exert upward pressure on input costs. Buyers traditionally reliant on Middle East supply may shift to alternative markets, tightening global competition for fuel. While the immediate impact on Malakoff remains limited, we continue to monitor these developments closely to assess any potential implications for Malaysia's wider energy landscape.

OPERATING IN A GROWING ECONOMY

Global growth remained resilient in 2025, supported by strong tech-related exports amid AI-driven investment, easing inflation and supportive fiscal and monetary policies.

Several economies throughout the region saw stronger export growth backed by robust electrical & electronics demand, including AI-related components and the operationalisation of data centres, while others experienced softer trade as tariff effects intensified. Against this backdrop, Malaysia continued to benefit from firm domestic demand and stronger than expected economic momentum, as reflected in the country's annual Gross Domestic Product (GDP) growth of 5.2% year-on-year (YoY).

Among the high growth components that have contributed to the nation's economy is the emergence of data centres. Data centres have become a key source of foreign direct investments, supporting the nation's digitalisation ambitions. Malaysia's growing prominence as a regional data centre hub, provides a conducive environment for the expansion of Malakoff's core businesses, particularly in ensuring reliable energy supply while supporting the nation's long-term transition objectives.

Malaysia's continued expansion in services, infrastructure development and consumption-driven activity contributed to firmer electricity demand fundamentals, reinforcing the relevance of our thermal assets while spurring renewable energy (RE) deployment. At the same time, the country's increasing emphasis on sustainability and circular economy initiatives further supported the growth trajectory of our Environmental Solutions segment, particularly in waste management, WTE development and recycling capabilities.

Overall, Malaysia's positive economic performance in 2025 provided a firm footing for us to focus our strategic lens on pursuing opportunities within our core business sectors, aligning our efforts with the nation's broader transition agenda and sectoral needs.

UNLOCKING POTENTIAL

Against this macro backdrop, we continued to execute our strategic transformation and growth agenda in the two main business segments: **Energy** and **Environmental Solutions**.

The Group is leveraging its assets and resources to drive systemic change, advance climate adaption strategies and deliver long-term value. Nevertheless, we understand that it is no easy task, as operating in the rapidly evolving energy and environmental spheres demands a clear understanding of how existing assets, capabilities and partnerships can be mobilised to respond to industry-wide transitions, climate risks and shifting stakeholder expectations.

In response, we have been reinforcing the reliability of our power generation assets, while accelerating capabilities within the Environmental Solutions segment to address rising demand for sustainable waste and resource-management services. This includes delivering clear strategic milestones by securing and developing new gas plants and pursuing RE expansion.

Ongoing developments are also gearing up within the Environmental Solutions segment, which encompasses both concession and non-concession waste management operations and WTE activities. This balanced approach ideally positions our business portfolio to translate positive operational outcomes and elevate the Group's role in the Energy and Environmental Solutions value chain.

Building on the momentum of the Malakoff 2.0 Strategic Transformation introduced in 2021, the **Strategic Plan 2026–2030: Setting the Baseline** charts a more decisive course forward. **Setting the Baseline** serves as a strategic health check, assessing the Group's readiness to pursue growth with greater ambition, supported by disciplined capital allocation, expanded capabilities and targeted capacity building. This approach provides the foundation to accelerate Malakoff's evolution into an integrated Energy and Environmental Solutions provider, unlocking stronger growth and long-term relevance.

We are at a pivotal point as we continue with measured expansion of our Energy and Environmental Solutions portfolio, alongside the dependable performance of both the existing thermal assets and burgeoning RE capacity. While thermal generation remains the backbone of the Group's business and operational footprint, we are scaling up the Group's development of RE initiatives and environmental services in tandem with national policy direction, including the country's energy shift, environmental sustainability and circularity agendas.

Our RE presence continues to strengthen with total secured capacity now standing at 766 MW, supported by the addition of the landmark LSS PETRA 5+ project in Perak and other new ventures.

As Environmental Solutions continues to evolve into a more strategic pillar within the Malakoff Group, its role is increasingly complementary to the Energy segment. This expansion is expected to deepen operational capability and fortify the Group's underlying stability, with the Energy segment continuing to deliver steady and dependable outcomes. Tangible outcomes within Environmental Solutions saw the segment advanced both its concession and non-concession activities. This includes the strategic acquisition of a 49% stake in E-Idaman Sdn. Bhd., which expands waste handling capacity and boosts our market presence in the northern states of Peninsular Malaysia.

Another significant achievement was the awarding of the 34-year WTE concession in Sungai Udang, Melaka, which is expected to process up to 1,056 tonnes of municipal solid waste per day and generate approximately 22 MW of RE capacity upon completion, positioning Malakoff at the nexus of waste management and clean energy generation. Facilities such as the Recovery Initiative Sustainable Eco-Facility, Kuala Lumpur (RISE KL) recycling centre, which processes up to 50 tonnes of recyclable waste per day and supports national sustainability objectives, continue to elevate recycling and circular economy solutions.

Through Alam Flora Sdn. Bhd. (Alam Flora), we also recorded a 2.0% YoY increase in domestic waste volumes collected across Kuala Lumpur, Pahang and Putrajaya in 2025, reflecting higher service demand and improved operational performance.

Over the medium term, Environmental Solutions is expected to provide a stable and scalable foundation for the Group, working in tandem with the thermal portfolio and RE businesses to support a balanced and resilient performance.

DRIVING PURPOSE, DELIVERING RESULTS

The Group's performance for the financial year ended 31 December 2025 (FY2025) reflected a resilient operating stance, despite softer contributions from the Energy business. Steady portfolio delivery and improved contributions from Environmental Solutions underpinned this outcome, complemented by effective execution, strong risk oversight and the maturation of long-term contracted projects.

In line with the Group's established dividend policy of distributing at least 70% of the Net Profit Attributable to Equity Holders of the Company (PATMI), the Board remained guided by a prudent approach to shareholder returns. For FY2025, the Board declared an interim dividend of 1.50 sen per ordinary share, amounting to RM73.3 million. This was paid on 27 October 2025. A final dividend of 0.86 sen per ordinary share, amounting to RM42.0 million has also been approved for FY2025 and is expected to be paid in May 2026.

OUR PEOPLE, OUR STRENGTH

We are determined to outperform the expectations placed upon us by our stakeholders, our industry and ourselves. As the organisation enters into the next growth development phase, our emphasis remains on nurturing a workforce whose capabilities can support both present operational demands and the longer-term maturation of our businesses.

Malakoff operates in an energy sector that plays an important role in Malaysia's workforce. With this responsibility, we are committed to upholding fair labour practices and protecting the well-being of our people.

We believe organisational resilience starts with a workplace built on safety, respect and dignity. This is reflected in the occupational safety and health standards applied across the Group, which focus on effective risk management, hazard control and continuous improvement.

Driven by technological advances, sustainability imperatives and shifting market forces, the nergy industry is stransforming and so are the capability requirements of its workforce. We are strengthening skills across key functions and equipping employees with the operational, technical and sustainability-related capabilities needed to navigate complexity and support Malaysia's energy transition.

Central to this effort is the cultivation of leaders who can guide teams with clarity and sound judgement. Leadership continuity and capability development remain key priorities, supporting organisational stability while enabling effective execution of our strategic goals.

Looking ahead, we recognise that long-term relevance is shaped not only by asset composition, but also by governance quality, execution readiness and organisational capability.

The progress we have made, operationally and institutionally, would not be possible without the dedication of our people. It is this commitment that continues to fortify Malakoff's ability to respond to challenges, adapt to new realities and move ahead purposefully.

GOVERNANCE IN FOCUS

Consistent with our long-standing commitment to integrity and ethical governance, the Group continues to uphold a robust Anti-Bribery and Anti-Corruption (ABAC) framework, guided by our ABAC Policy and rigorously implemented across the organisation.

This framework reflects Malakoff's unequivocal zero-tolerance stance on bribery and corruption and reaffirms our adherence to Section 17A of the Malaysian Anti-Corruption Commission Act (Amendment) 2018 [A1567], which sets stringent expectations for corporate accountability.

In line with the national agenda, we have adopted the Government-issued Guidelines on Adequate Procedures, developed by the Prime Minister's Department and structured around the T.R.U.S.T. Principles (Top-Level Commitment, Risk Assessment, Undertake Control Measures, Systematic Review and Training & Communication). Malakoff has fully embedded these Guidelines as a key pillar of our governance architecture. The Group has strengthened its internal control environment by integrating these Adequate Procedures across our ABAC policies, Corruption Risk Assessments, Internal Compliance Audits, Gift Policy and Whistleblowing Policy. Collectively, these measures build a resilient governance foundation that enhances transparency and elevates our ability to identify, assess and manage bribery-related risks across our operations.

Our commitment is further reflected in the implementation of the Anti-Bribery Management System (ABMS) ISO 37001:2025, which establishes a systematic, organisation-wide approach to bribery prevention. The forthcoming external audit by SIRIM QAS International will deliver the level of independent validation befitting an organisation of Malakoff's scale and national importance, ensuring the credibility and robustness of our governance practices in line with global standards.

Throughout the year, we continued to conduct ABAC awareness and training programmes for employees, business associates and contractors. These initiatives, designed to embed a culture of vigilance, ethical conduct and personal responsibility across the organisation, remain fully aligned with the National Anti-Corruption Strategy (NACS) 2024–2028 to ensure coherence between our governance priorities and national objectives.

These initiatives reflect our commitment to strong integrity and reinforce Malakoff's standing as a trusted and resilient organisation. The Group continued to monitor key operational, strategic and market risks, including cybersecurity, operational reliability, sustainability-related risks and resource price volatility. Regular updates supported timely responses and ensured business continuity.

Embracing best practices, I am pleased to note that we have taken concrete steps to enhance the Group's sustainability governance in 2025 by adopting the National Sustainability Reporting Framework (NSRF). The framework designates the International Sustainability Standards Board's (ISSB) International Financial Reporting Standard (IFRS) S1 relating to the General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 regarding the Climate-related Disclosures as the national baseline for corporate sustainability reporting.

We have begun embedding IFRS S2 into our reporting processes, placing initial emphasis on financially relevant climate information with reference to the NSRF's climate-first, phased approach. These enhancements complement coordinated Board oversight of risk, sustainability and capital decisions for our Energy and Environmental Solutions businesses.

The Group's ongoing commitment to Environmental, Social and Governance (ESG), coupled with deliberate efforts to build awareness and educate stakeholders on our sustainability agenda, was recognised with Malakoff's inclusion in the FTSE4Good Bursa Malaysia Index in June 2025. This first-time inclusion in the index marks an important milestone for the Group. The Group's ESG score stood at 3.4 out of 5.0, a slight improvement compared to 3.3 in 2024, with an ESG grading band of 3 stars out of 4 stars by Bursa Malaysia. While we take pride in this recognition, we remain firmly committed to upholding the trust of our stakeholders and to advancing our ESG and sustainability agenda with consistency and diligence.

Looking ahead, we recognise that long-term relevance is shaped not only by asset composition, but also by governance quality, execution readiness and organisational capability. Strategic decisions will continue to be framed with an emphasis on accountability and long-term value preservation, with careful consideration of changing economic and industry cycles. I am confident that the foundations in place provide Malakoff with the capacity to navigate these conditions responsibly while retaining the flexibility to respond as circumstances change in a manner the Board considers prudent and appropriate.

IMPACT WITH PURPOSE

The Group's Corporate Social Responsibility (CSR) initiatives remain the epicentre of our strategic priorities, reflecting our commitment to uplifting the communities that surround our operations. In 2025, we invested in programmes that benefited 5,000 individuals, with a strong emphasis on educational support, community enrichment and environmental stewardship.

Our community initiatives continue to focus on education, community well-being and environmental stewardship, with an emphasis on the communities surrounding our operations. Through our long-standing *"Jom Ke Sekolah"* programme, underprivileged students were provided with essential school supplies to support their return to school.

This was complemented by educational and motivational camps for students from our adopted schools, where they took part in three-day programmes designed to build confidence and life skills through hands-on experiences. Support was also extended to students pursuing higher education in Mukim Serkat, Johor and Segari, Perak.



Energy, excitement and unity. Stakeholders from Malakoff and Alam Flora, along with media representatives and influencers, came together for Malakoff Amazing Hunt 2025 — turning teamwork into an unforgettable adventure.

During Ramadan, we continued our "Share Our Love" programme, where we hosted children from selected welfare homes for *iftar* and provided donations and *duit raya*. Over time, this initiative has come to reflect a deeper sense of care and responsibility towards the communities we engage with, growing beyond a single occasion into an effort that seeks to support their well-being in more lasting and meaningful ways. While the form of support may differ from year to year, the intention remains the same, to be present, to lend support where it is needed and to build genuine, lasting connections. We also contributed to mosques in Mukim Serkat, Segari and Prai, alongside *zakat* contributions to *asnaf* communities in Johor, Perak and Seberang Perai.

Taken together, these efforts reflect our belief that even small acts of support, when carried out consistently, can make a meaningful difference in people's lives.

Our environmental efforts remained an important part of our engagement. This included the sustainability-themed "Amazing Hunt", which brought employees and stakeholders together to encourage more responsible practices, including recycling and upcycling, while raising awareness of environmental responsibility in everyday life. Beyond this, we continued our on-the-ground efforts through beach cleanup and environmental education programmes carried out with local stakeholders, contributing to the care of coastal environments. Through the Malakoff Marine Conservation Programme, employees also worked alongside the Johor State Fisheries Department on conservation activities, reflecting a more hands-on approach and our belief in leading by example in protecting the natural environments where we operate.

Meanwhile, Alam Flora continued to drive meaningful impact through its environmental initiatives, with a focus on community engagement, waste reduction and environmental awareness. One such effort was the *"Jom Plogging: Saya Sayang Bumi"* initiative, which brought together volunteers to take part in clean-up and tree-planting activities, contributing to the reduction of waste in public spaces while restoring greener, healthier environments.

These efforts were further supported by broader public awareness and educational efforts, including outreach through facilities such as Recovery Initiative Sustainable Eco-Facility (RISE) and *Fasiliti Inovasi Kitar Semula (FIKS)*, aimed at encouraging more responsible waste management practices and reducing reliance on single-use plastics. Through these engagements, participants gained a better understanding of recycling processes and the role individuals can play in supporting a more sustainable environment.

More importantly, these efforts reflect a deliberate shift from awareness to action, where environmental responsibility is not only encouraged, but actively practiced and carried forward.

Read more in the Business Review on pages 114 to 126 and the Sustainability Statement on pages 127 to 249.

MANAGING LEADERSHIP TRANSITION AND CONTINUITY

The Board records its appreciation to Anwar Syahrin Abdul Ajib for his leadership and service as Managing Director and Group Chief Executive Officer (GCEO), during which he guided Malakoff through a period of sustained structural change while preserving strategic focus and organisational stability. We also honour his memory following his passing in late February 2026. Anwar Syahrin was a respected industry leader and a valued member of our Group whose contributions to Malakoff leave a meaningful legacy. The Board extends its deepest sympathies to his family.

Subsequent to the leadership transition in the third quarter of 2025, the Board welcomed Syahrunizam Samsudin as GCEO on 1 September 2025 and is confident in his ability to lead the Group forward. The transition reflects a deliberate and orderly approach to leadership succession, reinforcing continuity of purpose and long-term stability.

ACKNOWLEDGEMENTS

I would like to take a moment to acknowledge Tan Sri Che Khalib Mohamad Noh, who stepped down as Chairman on 1 March 2026 after nearly 13 years with Malakoff. His leadership, guidance and steady hand have shaped much of the organisation we know today. On behalf of the Board, I extend our heartfelt appreciation for his immense contribution and wish him every success in his future undertakings.

I look forward to working alongside my fellow Board Members, noting that your guidance counsel and sound judgement have been instrumental in enabling Malakoff to navigate a complex operating environment while remaining focused on long-term value and responsible growth.



Through teamwork, commitment and shared purpose, our people continue to support the Group's growth and progress.

As we conclude another chapter in our journey, the collective commitment, professionalism and resolve of those who stand with us in advancing the Group's aspirations is truly commendable. The year under review reinforced our belief that sustainable performance is the product of collaboration across the Group and our wider ecosystem, rather than the result of any single initiative.

The collective efforts of all employees, reflecting strong discipline and adaptability, have contributed to the Group's progress in operational reliability and strategic execution. Your expertise and continuous dedication play a vital role in shaping Malakoff's future amidst change. *Syabas* and keep up the good efforts.

I also wish to convey my gratitude to the Government of Malaysia, relevant ministries and regulatory authorities for their continued engagement and support, as well as the Governments, regulators and business partners in our overseas operations. Our appreciation extends equally to our customers, financiers, business associates and strategic partners globally, whose trust and collaboration remain vital to our ability to deliver consistent outcomes.

Beyond 50: Powering Malaysia, we continue to honour our national role while extending capabilities beyond domestic borders. As we move ahead, we remain committed to strengthening our leadership, exercising accountability and contributing meaningfully to the Energy and Environmental Solutions sectors, creating enduring value for all stakeholders we serve.

TAN SRI WAN ZULKIFLEE WAN ARIFFIN
Independent Non-Executive Chairman

DIALOGUE WITH OUR GROUP CHIEF EXECUTIVE OFFICER

SECURING TODAY, SCALING TOMORROW



SYAHRUNIZAM SAMSUDIN
Group Chief Executive Officer

Dear Valued Stakeholders,

Stepping into the role of GCEO in September 2025, I did so with a clear mandate to build on Malakoff's strong foundation while steering the Group for the future of Malaysia's evolving energy sector. Over the years, Malakoff has secured critical projects, optimised operational performance and consistently supported the nation's development priorities. Today, as Malaysia accelerates its transition agenda, our role as a strategic anchor in the country's energy system becomes increasingly significant, enabling us to power ahead with conviction.

The sector is undergoing rapid transformation where demand is rising, policy direction is becoming clearer, climate expectations are intensifying and capital markets are increasingly sensitive to credible transition strategies. Malakoff is not starting from a blank slate. We are building on progress already made, enhancing our capabilities and scaling new growth platforms that align with the National Energy Policy 2022–2040 (NEP) and the NETR, which are structured towards achieving net-zero emissions by 2050. Our responsibility is twofold as we continue to ensure reliable, affordable power today while equipping the business to meet the energy demands of tomorrow.

In the fourth quarter of 2025, we reorganised our businesses to articulate the direction set under the Malakoff Strategic Transformation 2.0, introduced in 2021 followed by the Sustainability Framework in 2022 to further enhance the transformation plan of the Group. These earlier initiatives had already laid the groundwork for the Group's three business pillars: Energy, Green Solutions and Environmental Solutions. As climate imperatives build up, regulatory expectations evolve and market dynamics shift, it has become clear that Malakoff can no longer rely on a 'normal state of affairs' approach.

To remain competitive and play our role in supporting the nation's transition agenda, we must first strategically reset ourselves to anchor the next phase of growth and transformation. In doing so, we introduced the **Strategic Plan 2026–2030: Setting the Baseline**, establishing a firm foundation for Malakoff's future direction. The plan represents an evolution of the Malakoff Strategic Transformation 2.0, building on the Group's existing business pillars. While these foundations remain intact, the plan sharpens our strategic focus by prioritising the **Energy** and **Environmental Solutions** businesses, providing greater clarity and direction as Malakoff positions itself for the next stage of the Group's progress trajectory and realising our Vision to be a **Fully Integrated Energy Generation and Environmental Solutions Player**, shaping a greener future through innovation and sustainability practices.

With RE now housed within the Energy segment, the structure better represents a more cohesive platform for future growth. Our Energy segment, continues to operate a diversified fleet of thermal plants while developing renewable capacity to optimise near-term reliability, progressing Malakoff's transition to a lower-carbon portfolio, even as we support Malaysia's longer-term sustainability goals.

Alongside this, our Environmental Solutions segment is becoming a key driver of the nation's decarbonisation and circular economy goals. Focused on concession and non-concession waste management, WTE ventures and facility management, the segment supports the country's push for circularity, improved waste infrastructure and sustainable urban development. It also allows the Group to contribute meaningfully to decarbonisation while building stable, infrastructure backed income streams.

How would you characterise Malakoff's performance for the Financial Year Ended 31 December 2025 (FY2025) in the context of the Group's vision and strategic direction?

2025 was a decisive year, balancing the need to safeguard energy security with the ongoing preparation of the Group for a lower-carbon future consistent with national aspirations and market realities. This was not a minor refinement of our approach, but a deliberate recalibration across our portfolio, capital allocation, capability and culture. Even against a backdrop of structural change in the energy sector, the Group made notable strides in targeted areas of RE and Environmental Solutions.

Malakoff's performance in the Energy business for 2025 reflects our continued commitment to supporting a reliable and stable supply of electricity to the national grid. Our thermal assets are generating a total capacity of 8,782 MW with 6,953 MW in Malaysia alone, making Malakoff the biggest Independent Power Producer (IPP) in Malaysia. While this accomplishment remains central to our mandate, we were confronted with operational challenges across a few power plants, particularly toward the end of the reporting period, which affected the output of available capacity.

Our RE footprint in Malaysia continues to expand, with secured generation capacity reaching 766 MW following the successful award of the nation's largest large scale solar (LSS) project in Perak. Meanwhile, our commitment to developing new thermal capacity, through the reservation of gas turbines and turbine generators, demonstrates our role as a system-critical energy provider in safeguarding national supply reliability. By adopting gas as a transition fuel, we are able to balance decarbonisation objectives with system stability, delivering a cleaner alternative to coal without compromising firm capacity requirements.

The Environmental Solutions business continued to establish itself as a meaningful contributor to the Group's long-term direction. The Group's waste management portfolio comprises concession and non-concession businesses, with the latter covering integrated facility management, infrastructure cleansing & waste solutions, marine & scheduled waste services, and WTE operations. These components promote circularity and urban resilience, complementing our Energy platform by pivoting Malakoff's role beyond power generation into environmental infrastructure essential to the country's future.

Touching on financial performance, the Group recorded a revenue of RM7,209.3 million for FY2025 against RM8,969.6 million in the previous year, a 19.6% dip in line with the lower operating output. PATMI was RM96.1 million, compared with RM268.7 million in the Financial Year Ended 31 December 2024 (FY2024), mirroring the softer revenue position.

The year's performance was influenced mainly by reduced energy and capacity payments at Tanjung Bin Energy Power Plant (TBEPP), Tanjung Bin Power Plant (TBPP) and Segari Power Plant (SEV). Several operational incidents towards the end of 2025, including the fire at TBEPP's flue gas desulphurisation (FGD) system and a rotor related issue at TBPP, resulted in these plants operating below expected capacity, which had a corresponding impact on the overall power generation for the year.

In addition to the operational events, the Power Purchase Agreement (PPA) for the gas plant in Prai, Penang expired in August 2025. Following the securing of an extension in November 2025, our subsidiary, Prai Power Sdn. Bhd. entered into a new PPA with Tenaga Nasional Berhad (TNB) for a four-year term, effective from 1 April 2026 to 31 March 2030. The plant is targeted to resume operations in April 2026.

Despite the setback, we continued to demonstrate resilience. I remain confident in the strength of our portfolio, where improved contributions from the Environmental Solutions business, together with progress across multiple long-term contracted projects, provided important cushioning that will improve future performance. We also achieved several significant milestones, including securing operational extensions for three of our gas plants, expanding our RE portfolio through major LSS awards and achieving notable progress in Environmental Solutions, in particular the long-term WTE concession in Sungai Udang, Melaka. These achievements not only alleviated the impact of external pressures but also solidified the Group's momentum toward building a more diversified and durable platform for the years ahead.

Please refer to the Financial Review on pages 84 to 89.

What were the key milestones achieved in 2025, and how do they contribute to the Group's long-term value creation?

Thermal Energy

During the year, we received confirmation of our success under the Energy Commission's (EC) Category 1 competitive bidding exercise. In November 2025, Malakoff was notified that all three of our gas plants had been selected for operational extension through 31 December 2029, covering a combined capacity of 2,082 MW. This outcome reveals the continued confidence of the system operator and regulator in the integrity, efficiency and reliability of our assets, at a time when dispatchable capacity remains indispensable.

Natural gas provides a lower-emissions alternative within the thermal generation spectrum, enabling us to support immediate energy security requirements while aligning with the broader direction of the country's decarbonisation agenda. Equally important, these outcomes preserve the value of long-standing assets that have consistently delivered dependable performance, while providing sustained earnings visibility under structured contractual arrangements. The extension agreements cover:

350 MW CCGT*
Prai Power Plant (PPP)
Owned by Prai Power Sdn. Bhd.

Prai, Penang
- PPA tenure completed August 2025
- PPA extension from April 2026

429 MW OCGT**
GB3 Power Plant
Owned by GB3 Sdn. Bhd.

Lumut, Perak
- PPA tenure completed December 2022
- PPA extension from January 2027

1,303 MW CCGT
Segari Power Plant (SEV)
Owned by Segari Energy Ventures Sdn. Bhd.

Lumut, Perak
- Ongoing operations
- PPA extension from July 2027

** Combined-Cycle Gas Turbine (CCGT)* *** Open-Cycle Gas Turbine (OCGT)*

Taking a forward position on our next-generation thermal capacity, we executed the first reservation agreement with Mitsubishi Power, Ltd (Mitsubishi Power) on 10 October 2025 for two state-of-the-art M701JAC gas turbines and gas turbine generators. Subsequently, we entered into the second reservation agreement for the procurement of two more M701JAC gas turbines and gas turbine generators. The equipment features Mitsubishi Power's latest air-cooled gas turbine, designed for high thermal efficiency, fuel flexibility and lower-emissions through improved combustion technology.

The units secured under both reservation agreements are intended for deployment at the Group's new CCGT power plants in Port Dickson, Negeri Sembilan and Lumut, Perak. Collectively, the four gas turbines and their associated generators support the development of up to 2,800 MW of additional capacity, ensuring the continued reliability of power supply nationwide.

These outcomes serve as the basis for the continued relevance of our gas portfolio at a time when the market is undergoing structural change. We secured the extension of assets that remain efficient, dependable and fully aligned with system requirements, while taking early steps to prepare for the next cycle of capacity development. This approach protects the value of our existing platform, ensures earnings continuity and enables adjustments toward a lower-carbon portfolio.

Adding on, as Malaysia attracts increasing investment in power intensive data centres, this direction becomes even more important. Rising digitalisation is influencing demand patterns, and the implications for long-term system functionality are clear.

As demand continues to rise, we know that a combination of new thermal and renewable capacity is essential. Collectively, the extensions secured, the CCGT projects underway including the growing RE pipeline, all provide a stable platform to meet Malaysia's system needs over the next five years and beyond.

Accelerating Our RE Trajectory

We are strategically positioned to capture emerging opportunities as Malaysia's energy transition accelerates, while building recurring, long-term income streams through PPAs. These tangible outcomes signified targeted, high impact capital deployment, deepening our technical depth and translating strategic intent into operational assets that will augment earnings visibility and support a steady shift towards a lower-carbon generation mix.

Our secured projects during the reporting period significantly elevate our RE pipeline and demonstrate strong execution in competitive bidding environments. While rooftop solar contributed to our achievements in 2025, our strategic emphasis is firmly on utility scale LSS developments that deliver broader and more sustainable value for the Group.

The completion of the ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. acquisitions in January 2025 brought a fully contracted 29 MW LSS asset in Kota Tinggi, Johor into Malakoff's RE portfolio, expanding the Group's presence in the national RE landscape.

Malakoff's Commercial & Industrial (C&I) segment continued to grow in 2025, following a Solar PPA signed with MARDEC Berhad for rooftop solar installations, including a major site in Kedah. While the C&I solar arm secured further traction in 2025, the Group's RE growth strategy going forward will be centred on LSS projects.

We made major headway on 19 June 2025 with the inking of the 34-year concession agreement with the Ministry of Housing and Local Government *(KPKT)* and Solid Waste and Public Cleansing Management Corporation (SWCorp) for Malakoff's flagship Sungai Udang WTE development in Melaka. Designed to process municipal solid waste and generate approximately 22 MW of gross RE capacity, the project aligns with national circularity objectives to reduce landfill dependency and enhance resource recovery. The accompanying PPA with TNB is expected to be finalised by the end of the first quarter of 2026, advancing the project into its next commercial and development phases.

In East Malaysia, our footprint expanded with the establishment of Malakoff Evergreen Sdn. Bhd., a 70:30 partnership with EE Solar Sdn. Bhd., to develop a 100 MW solar photovoltaic project in Bintulu, Sarawak. Operating under a 30-year PPA with Syarikat SESCO Berhad, a subsidiary of Sarawak Energy Berhad, the venture underscores our commitment to supporting the region's clean energy ambitions and widening our national presence.

The EC's confirmation on 2 September 2025 formalised our selection to develop a 470 MW utility scale solar plant in Larut and Matang, Perak, one of the country's largest initiatives under the LSS PETRA 5+ framework. We established Malakoff Silver Solar Sdn. Bhd. to undertake the project. This was solidified by a 21-year PPA with TNB on 19 December 2025, enabling the project to advance toward construction readiness and future commercial operation.



Through smarter, long-term cost-efficient solar solutions, the C&I segment contributes meaningfully to Malaysia's green ambition, including the solar project at UMW Aerospace in Serendah, Selangor.

Complementing the solar projects, our small hydropower initiatives in Kelantan expand the breadth of our renewable portfolio, positioning Malakoff as one of the few industry players capable of integrating solar, hydropower and WTE within a unified, scalable platform. This diversified mix raises the effectiveness of our RE strategy and amplifies our contribution to Malaysia's long term clean energy transition.

Our RE portfolio has now reached 766 MW, a testament to the strategic momentum we are building across the Group's transition pathway. Our focus in the coming phases will be on scaling LSS developments and deepening strategic partnerships across Peninsular and East Malaysia.

Environmental Solutions

Environmental Solutions has emerged as a distinct and increasingly important pillar of the Group's portfolio, crystalising our deliberate move to build capabilities beyond conventional power generation and participate more meaningfully in Malaysia's circular economy. To me, this business addresses two critical national priorities at once by supporting environmental sustainability while creating long-term, infrastructure-backed income streams that complement our energy platform. Unlike traditional generation assets, environmental infrastructure offers structural growth opportunities driven by urbanisation, regulatory evolution and the need for more sustainable waste management solutions.

Standing alongside Energy, Environmental Solutions is part of a well-balanced dual-platform portfolio directly aligned with the NETR. Under the NETR's bioenergy lever, further reiterated under the Circular Economy Blueprint for Solid Waste (2025–2035), WTE is identified as part of Malaysia's broader policy progression to a lower-carbon system. The NETR outlines more actionable pathways to facilitate biomass clustering and to use regulatory tools such as landfill taxes, quotas or bans to divert waste away from dumpsites and into higher value recovery, supporting our waste-conversion developments and broader waste-management capabilities.

In my view, this policy direction further reinforces the role energy-recovery technology can play in Malaysia's evolving energy mix. With the NETR setting a national target of 70% installed RE capacity by 2050, this waste-derived RE stream is being recognised as a contributor to reliable, sustainable power generation while advancing circular economy outcomes.

For WTE, beyond generating approximately 22 MW of RE, the facility is designed to process up to 1,056 tonnes of municipal solid waste per day, diverting more than 300,000 tonnes of waste annually from landfills and avoiding an estimated 75,000 tonnes of carbon emissions. This project positions Malakoff at the intersection of sustainable waste management and energy generation.

In this respect, the project directly supports the objectives of the NETR by diverting landfill waste, reducing emissions and delivering renewable power. Backed by long-term concession tenures, it complements the Energy business through stable and recurring income streams.

What sets Malakoff apart is our ability to operate at scale across both the energy generation and environmental services spheres. This integrated capability allows us to deliver end-to-end solutions that meet the needs of authorities, municipalities and industry, especially as the country pushes ahead to improve waste infrastructure and expand circular economy practices.

Following our acquisition of a 49% stake in E-Idaman Sdn. Bhd., Malakoff has expanded into Kedah and Perlis, increasing effective waste handling capacity from 5,615 tonnes per day to 6,200 tonnes per day, on track to achieve 10,000 tonnes per day by 2031. This complements our existing operations in Kuala Lumpur, Putrajaya and Pahang, fortifying our platform for future concession and waste-to-resource opportunities.

In parallel, our non-concession environmental services continued to gain traction. The Group's Environmental Solutions arm, Alam Flora Sdn. Bhd. (Alam Flora) through its subsidiary, Alam Flora Environmental Solutions Sdn. Bhd. (AFES), continued expanding key non-concession offerings across scheduled waste, waste management and adjacent services.

The completion of the Port Reception Facilities in Johor Port in November 2025 marked an important milestone. In addition, our expansion into new segments, including waste packaging & labelling, tank cleaning, waste pre-treatment & waste minimisation, and marine waste, allows us to capture emerging opportunities in scheduled waste management.

We also made progress on our Sustainable Facility & Eco Park centre (SAFE-T), which has now moved into Phase 2 and is on track for its targeted start-up in 2028. SAFE-T provides integrated scheduled waste management services, including thermal treatment, waste oil recovery and effluent treatment, through a purpose-built sustainable facility. Its development is being complemented by the continued expansion of organic waste composting in partnership with local councils. These combined efforts reflect how we are enriching the ecosystem around sustainable waste management, one community at a time.

Strengthening Discipline and Capability

As our Environmental Solutions platform matures, we recognised early that elevating standards and enhancing operational capability would be essential to sustaining performance. During the year, stronger governance and clearer accountability drove significant improvements in compliance performance across concession areas, resulting in meaningful reductions in non-compliance events.

Operational capacity was further enhanced through the delivery of 308 new vehicles in 2025, including 154 new compactors as part of our fleet modernisation initiative, an investment aligned with our commitment to cleaner, more liveable communities for the families we serve. The addition of key assets, also consists of armroll vehicles, power press units and other supporting equipment, strengthening day-to-day operational execution and overall operational readiness.



Alam Flora plays a vital role in Malaysia's sustainability journey, transforming waste management into an essential service that protects our environment, reduces pollution and protecting public health.

This improved service efficiency and reliability, reinforces the Group's capability to support larger-scale Environmental Solutions operations. We are building on this momentum, embedding a culture where competency, reliability and high performance are non-negotiable. This drive is expected to form a more structured, enterprise-wide approach to execution, ensuring that as the business grows, the operational backbone becomes even stronger.

What were the key Health, Safety and Environment (HSE) lessons and actions taken by Malakoff in 2025, and how are they shaping the Group's approach to safety going forward?

We were reminded last year that even in the most controlled environments, unforeseen events can occur. A fire at the TBEPP's FDG and thereafter chimney area, was contained swiftly by our Emergency Response Team (ERT) working alongside the Fire and Rescue Department of Malaysia *(BOMBA)*. Thanks to their decisive actions, the situation was brought under control without any injury and the affected zone was immediately secured to facilitate a full investigation. Grid stability was not impacted and TBEPP commenced operations towards the end of January 2026. For me, the incident was a sobering reminder that safety is never something we can take for granted. It is not a box to be checked, but a responsibility we must uphold every single day across all our operations.

The incident at the Tanjung Bin Complex jetty in December 2025 was a profoundly difficult moment for the organisation. We lost two contractor colleagues and three others were injured during scheduled maintenance work on one of the coal unloaders at the jetty. While plant operations were not affected, the human impact was profound. No words can truly ease the loss felt by their families, friends and co-workers. Our thoughts remain with them, and we remain committed to supporting those affected while continuing to fortify our safety practices across the organisation.

In the immediate aftermath, our ERT acted swiftly and worked closely with *BOMBA*. The affected area was secured and operations at the power plant continued safely under normal conditions. In terms of the status, structural remediation works are currently in progress, with repairs targeted for completion before the end of March 2026. We co-operated fully with the authorities to ensure all required remedial actions are completed.

Over the past months, we have taken concrete steps to fortify operational integrity, ensure accountability and prevent recurrence. We initiated a comprehensive internal review aligned to our governance protocols and executed strictly within established policies to embed best practices. We are also partnering with a leading international Health, Safety, Security and Environment adviser to proactively improve oversight and assurance. These measures are strategic investments in our governance framework, elevating current systems and propelling our ambition to set the benchmark for safety, reliability and performance.

As GCEO, I want to be clear that safety is not negotiable. It is the foundation on which everything else is built – our reliability, our reputation and our responsibility as a national energy provider. We have initiated a comprehensive internal investigation and will scrutinise our contractor management, risk assessments and maintenance protocols to ensure incidents like this do not recur.

HSE is a personal priority for me. We will continue reinforcing a culture where everyone on our sites, whether employee, contractor or partner, is empowered to stop work and obligated to do so when safety is in doubt. Our goal is simple – everyone goes home safely, every single day.



Safety is the foundation of our operations. At Malakoff, every project, plant and process is guided by uncompromising health and safety standards.

Which areas of the business indicates a need for further strengthening as the Group prepares for the next phase of execution?

Over the next five years, the Group will sharpen its focus around four strategic pillars: **Growth**, **Efficiency**, **Capability** and **Future**. These pillars will be integrated across the Group to elevate performance standards. They are also seen as reflections of endurance and strength in ensuring that our portfolio remains resilient through structural change in the energy and environmental sectors.

As we move into the next phase of our transformation, our strategic priorities are becoming increasingly interconnected. **Growth** will be driven by the expansion of thermal and RE portfolio and the scaling up of Environmental Solutions. The reservation of the M701JAC gas turbines, enabling up to 2,800 MW of new high efficiency CCGT capacity, positions us to secure future system stability even as we accelerate the build out of LSS, hydropower and WTE projects. For Environmental Solutions, we will continue to consider strategic equity investments, where necessary and deepen integration across our waste management concession and non-concession businesses.

Supporting this growth is a relentless drive for **Efficiency** and **Capability**. We are tightening planning, raising the quality of maintenance execution and embedding a consistent operating framework across the Group to deliver greater reliability, more effective cost discipline and higher operational readiness. These efforts are complemented by a strong focus on developing talent, technical depth and project delivery expertise, ensuring we execute with precision, make better decisions and reduce dependence on external parties. Combined with disciplined capital management, these initiatives allow us to pursue higher margin opportunities while safeguarding earnings quality.

Underpinning all of this is our commitment to **Future-proofing** the organisation. We are accelerating initiatives that support Malaysia's net zero agenda, enhancing emissions management across the business and preparing Malakoff for a landscape shaped by carbon pricing, emerging technologies and evolving market expectations. Together, these priorities support one another, creating a stronger, more agile organisation ready to meet both today's demands and tomorrow's opportunities.

Please refer to Our Strategy on pages 70 to 76 and Value Creation Model on pages 68 to 69.

Empowering Our People for the Future

Malakoff's progress in 2025 was spurred by the dedication, discipline and evolving capability of our workforce. As we accelerate our transition, our relentless focus remains on equipping our people for the next stage of institutional growth. We are refining how we organise, lead and support our teams to ensure Malakoff remains agile and competitive. In an increasingly contested talent market, investing in human capital that can think boldly, solve practically and deliver consistently is a strategic imperative.

Our commitment to operational excellence is driven by a culture of continuous improvement. The Malakoff Innovation Challenge, launched in 2024 provides a vital platform for our teams to resolve complex operational issues through creative, scalable solutions. This spirit of excellence was globally recognised in November 2025 at the International Convention on Quality Control Circles in Taipei, Taiwan. Every Malakoff team fielded returned with a Gold Award, a testament to the high calibre of our technical talent. These projects delivered measurable improvements in plant reliability, cost efficiency and overall performance.

To sustain this momentum, we rolled out the Malakoff Apprentice Programme (MAP). By combining structured technical learning with intensive on-site exposure, MAP ensures our future growth is supported by a certified, high-performing talent pool. This initiative is designed to build a resilient pipeline of engineers and technicians by 2030, ensuring our operational excellence is future-proofed against industry shifts.

We have introduced a Group-wide Culture Renovation to institutionalise shared standards of professionalism and accountability. Guided by the "One Plant, One Pride" philosophy, we ensure every facility operates with identical clarity and performance benchmarks. In a technology-driven landscape, the human element remains our greatest differentiator. "One Plant, One Pride" reminds us to stay connected, work with precision and uphold a consistent standard of excellence every day.

As Malakoff evolves into an integrated Energy and Environmental Solutions leader, our culture and leadership development will be the primary drivers in delivering our strategy with conviction and measurable impact.



Our future growth is powered by a capable and skilled talent pool driving organisational excellence.

DIALOGUE WITH OUR GROUP CHIEF EXECUTIVE OFFICER

How does the Group's role in supporting national energy security and economic development influence strategic decision-making?

As an IPP, our responsibility is clear: to keep the lights on today while building the system that Malaysia will rely on tomorrow. As renewable penetration increases, dispatchable capacity remains indispensable. Our gas-fired assets continue to play a stabilising role, providing capacity availability throughout the transition, while our RE investments supports low-carbon transition initiatives. Initiatives such as the biomass co-firing project at TBPP, recognised as one of the NETR flagship catalyst projects, demonstrate how we align shareholder returns with national decarbonisation objectives.

This pragmatic approach is the most responsible way forward, allowing us to accelerate decarbonisation without compromising reliability or affordability. Above all, we recognise that the transition must be equitable and inclusive, protecting communities, employees and consumers from disproportionate impact, in line with the Just Energy Transition principles.

The anticipated rollout of the National Climate Change Bill *(Rang Undang-Undang Perubahan Iklim Negara* or *RUUPIN)* this year, which is expected to define carbon pricing frameworks amid rising technology costs and increasing market competition, is adding further complexity to an already dynamic operating environment. I cannot stress enough that this environment dictates an even greater discipline in how we manage capital and risk. While the national framework is still being defined, we are examining the potential implications of carbon pricing and related transition measures, conducting internal assessments to better understand their possible impact. In the interim, we will continue to manage capital and inherent risks without pre-empting outcomes or creating unnecessary market signals.

Since we introduced our Sustainability Framework in 2022, we have institutionalised responsible practices across our operations and aligned our priorities with the United Nations Sustainable Development Goals. The framework integrated ESG considerations directly into investment evaluation, risk management and performance accountability. Where I am concerned, these considerations are simple: sustainability cannot sit on the sidelines. It must be embedded in how we make decisions and how we run our business. This change also reflects the broader evolution of Malakoff as we move from being a conventional power producer into a lower-carbon energy and environmental solutions provider.

How do climate considerations, evolving regulation and technological change influence Malakoff's strategic outlook?

Climate considerations, stricter enforced regulations and technological change are central to how Malakoff shapes its strategy and positions the Group for the future. As a system-critical energy player, we recognise our exposure to both physical and transition climate risks, as well as the growing expectations of regulators, investors and stakeholders. These realities validate the need for a robust portfolio that balances near-term reliability with long-term sustainability.

Which external trends present the most material risks and opportunities for the Group over the medium to long-term?

Over the next decade, we expect our operations to be defined by structural demand growth, policy acceleration and climate-related disruption. These forces present a dual reality, involving a sizeable growth runway on one hand and material earnings, regulatory and asset risks on the other. Our strategic priority is therefore to capture these expansion opportunities.

While climate change and the global decarbonisation agenda will bring policy and operational pressures, they will also drive growth in lower-carbon generation, WTE and environmental solutions over the medium to long-term. As these dynamics unfold, evolving regulations, rapid technological change, rising reliability expectations and stronger ESG scrutiny are reshaping the operating landscape. These factors influence our investment priorities and the value we aim to deliver over time.

DIALOGUE WITH OUR GROUP CHIEF EXECUTIVE OFFICER

Stepping up renewables and environmental services demonstrates how we manage our emissions and divert waste from landfills in tandem with our support of emissions avoidance under the NETR policy direction.

In summary, the medium- to long-term outlook is shaped by two forces: accelerating energy demand and policy-backed renewable growth on one side, and increasing carbon, climate and regulatory pressures on the other. We must insulate our balance sheet and earnings base from transition-related and physical risks.

Please refer to the Climate-related Disclosures (Sustainability Statement) on pages 228 to 239.

As an IPP, how do you see the competitive landscape undergoing transformation amid new entrants and changing market structures?

Inevitably, IPPs will become more dynamic as market structures transition and new entrants, particularly in RE, increase their participation. Competitive bidding mechanisms such as LSS PETRA and LSS PETRA 5+ have lowered barriers to entry for solar developers, accelerating price discovery and increasing the pace at which capacity is brought to market.

This has broadened the field beyond traditional incumbents and changed the competition course towards cost efficiency, execution capability and access to capital. In response to this, we are actively expanding our RE portfolio and related solutions, while maintaining the reliability of our thermal platform to remain structurally relevant, financially sound and operationally reliable.

Procurement approaches in the sector vary depending on system needs and regulatory priorities. Regardless, the single buyer model remains central in upholding system stability and security of supply to consumers.

The presence of a centralised offtake structure provides predictability in dispatch and revenue flows. Competition is no longer based solely on installed capacity, but on operational excellence, financial strength and credibility with key stakeholders. We compete effectively by ensuring high plant availability, rigorous maintenance practices and timely project delivery across both conventional and renewable assets. Trust and execution certainty remain critical currencies in a capital-intensive sectors.

How does Malakoff position and differentiate itself within an increasingly diverse and competitive energy sector?

Differentiation is no longer defined solely by installed megawatts or tariff outcomes. It now depends on an organisation's ability to operate across multiple parts of the value chain with strong capabilities and consistent execution. We compete not as a pure-play IPP nor as a standalone renewable developer, but as an integrated platform spanning Energy and Environmental Solutions, enabling us to deliver reliable thermal capacity, grow renewable generation and provide WTE and environmental services at an extent few others can.

This combination gives us an edge where our role in waste management and WTE complements our energy segment, allowing us to create circular solutions, improve sustainability outcomes and offer multi-service value to industrial, municipal and corporate clients.

Our decarbonisation approach affirms this differentiation. Growth in solar and small hydropower is paired with transitional gas and the potential implementation of biomass co-firing at TBPP. This balanced approach enables emissions reduction while safeguarding security of supply. Clear, time-bound targets of achieving 1,400 MW of RE capacity by 2031, a 30% reduction in greenhouse gas emissions intensity by 2031 against a 2019 baseline and net zero by 2050, provide measurable direction and assurance to investors that the Group's transition strategy is well structured.

Armed with a long operating history across Malaysia and the Middle East, our active engagement with multilateral institutions and strategic counterparties further supports our bankability. This augurs well for the Group in executing complex, multi-stakeholder projects such as repowering projects, concession renewals and cross-border opportunities. As we have spent years navigating regulatory interfaces, financing structures and engineering complexity, we have gained a real, practical edge in securing and delivering capital-intensive projects.

DIALOGUE WITH OUR GROUP CHIEF EXECUTIVE OFFICER

Digitalisation is an equally important lever. Across our plants, predictive maintenance, AI driven plant optimisation, IoT-enabled real time performance monitoring and advanced data analytics for operational and strategic decision-making are becoming part of how we operate. These tools improve outage forecasting, optimise fuel and help us make better, data guided decisions in an increasingly complex system.

I believe technology will play an increasingly important role in how we operate our plants, enabling smarter and more efficient operations while reducing reliance on manual processes. As our generation mix evolves, digital capability will remain a key driver of efficiency and operational stability in the face of disruption.

Above all, differentiation comes from a willingness to move early. Efforts in biomass co-firing, renewable portfolio expansion and proactive engagement in green finance initiatives signal a forward-looking posture rather than a reactive one. Combined with adaptive leadership and operational expertise, these priorities position Malakoff to unlock opportunities and chart a clear path for the Group's future value creation.



Malakoff now stands at the threshold of a transformative new phase, expanding our renewable momentum, leveraging our experience and expertise to pivot Malaysia's energy future.

Honouring Our Past, Powering the Future

At this juncture, I would like to pause and remember the late Anwar Syahrin, whose leadership, resolve and stewardship helped set in motion many of the initiatives now coming to fruition across our Energy and Environmental Solutions platforms. Much of what we are executing today - our operating discipline, our portfolio rebalancing and our readiness for the next phase - were seeded during his time with us. I had the privilege of witnessing his dedication to Malakoff and the people around him, and his influence continues to guide many of the decisions we make today. We honour his legacy and remember him with deep respect and appreciation.

To our people, partners and stakeholders, thank you for your trust and resolute support through a year of high expectations and demanding standards. Your continued confidence in Malakoff means a great deal to us. We will carry forward the same spirit of accountability and care, keeping our focus on safety and operational excellence, while deploying capital with clarity to deliver results that are sound and resilient.

We look ahead, moving forward with the same conviction that has carried Malakoff through five decades. I believe the foundations we have built will guide us with confidence into the next chapter of our journey Beyond 50, as we continue powering Malaysia with renewed strength and purpose.

SYAHRUNIZAM SAMSUDIN
Group Chief Executive Officer

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OPERATING LANDSCAPE

VOLATILITY IN ENERGY COMMODITY PRICES



IMPACT

Energy commodity markets in 2025 remained highly sensitive to geopolitical tensions, supply adjustments, trade patterns and evolving policy environments. Although coal prices moderated from recent peaks, domestic gas production continued to soften, heightening dependence on imported liquefied natural gas (LNG) and increasing exposure to global price movements. Recent developments in the Middle East, including operational disruptions around the Strait of Hormuz, a sea passage separating the Arabian Peninsula and Iran, have further impacted oil and LNG shipping as well as logistics.

Financing conditions also remained elevated relative to long-term norms, with higher interest rates and selective credit availability influencing the feasibility of large-scale infrastructure investments. These factors, combined with fluctuating coal prices, reinforced cost pressures across thermal generation.

Malaysia's intention to introduce a carbon pricing mechanism in 2026 further contributed to uncertainty. While a framework is being developed, the scope, rate and mechanism remain under discussion, with early indications suggesting initial application to selected heavy-emitting sectors. Without a confirmed structure, most industries have yet to incorporate internal carbon pricing as part of their operational costs. As such, any near-term impact is likely to be indirect, shaping long-term project economics rather than immediate operational costs.

In this context, sustaining earnings required heightened operational efficiency, disciplined procurement and a resilient balance sheet.

OUR RESPONSE

The Group employed prudent fuel procurement practices, guided by continuous monitoring of global market developments.

Operational reliability and plant efficiency continued to be prioritised to mitigate cost pressures and maintain stable performance. Ongoing process improvements supported cost optimisation across thermal assets, while capital expenditure decisions were evaluated carefully to preserve financial discipline. Strategic procurement of key equipment helped manage risks related to supply constraints and price escalation.

The Group engaged closely with regulators to ensure that tariff structures and concession terms appropriately reflected rising cost pressures, including fuel-related components. Developments surrounding the National Gas Roadmap, expected to be launched in the third quarter of 2026, were monitored closely, particularly as the framework is intended to address long-term gas supply security amid increasingly complex geopolitical conditions. These evolving policies were incorporated into operational planning and long-term investment considerations.

OUTLOOK

Commodity markets are expected to remain subject to volatility driven by geopolitical events, climate-related policy changes and supply dynamics. Gas will continue to play an important role within the national energy mix, though cost pressures linked to fuel availability, pricing and financing conditions may persist. The forthcoming National Gas Roadmap is anticipated to influence long-term market direction once released.

Ongoing resilience will require consistent cost discipline, operational efficiency and measured capital deployment. The Group will continue tracking commodity trends, financing conditions and policy shifts, including future national planning frameworks to safeguard margins, preserve operational stability and support prudent investment decisions.

CLIMATE TRANSITION AND CARBON REGULATION



IMPACT

Malaysia's commitment to achieving net-zero greenhouse gas (GHG) emissions continues to shape national energy and industrial policy. Implementation of the NETR is progressing in phases, outlining pathways for renewable expansion, a gradual reduction of coal utilisation and the positioning of gas as an alternative fuel.

The Government's planned introduction of a carbon pricing mechanism in 2026 remains at the framework stage, with scope and mechanism still under refinement. Initial application is expected to focus on selected carbon-intensive sectors, while broader coverage continues to be assessed. At the same time, enhanced disclosure requirements aligned with IFRS S1 and S2 have raised expectations for climate-related transparency, governance and transition planning.

Thermal asset performance is increasingly evaluated considering emerging regulatory expectations, with carbon intensity, operational efficiency and long-term system needs becoming central to decisions regarding asset life, repowering options and future investments. The advancement of carbon-pricing policies and disclosure standards is increasingly shaping long-term capital allocation decisions across the sector.

Main Goals of the NETR

- Accelerate low-carbon, high-value green economy
- Increase RE in the national energy mix
- Drive large scale flagship transition projects
- Establish long-term low-carbon pathways and emissions-reduction targets
- Reform power sector and market participation
- Scale up green technology, grid modernisation and storage
- Create green jobs and economic opportunities investments

Timeline

- **29 August 2023** — NETR launched by the Malaysia's Prime Minister
- **2023–2030** — Execution of flagship projects & reforms
- **2050** — National net-zero emissions aspiration

OUR RESPONSE

The Group remains guided by the national aspiration to achieve net-zero emissions by 2050. No new coal investments are being pursued. Gas is positioned as a transitional fuel to support system reliability while renewable capacity expands.

The Group's transition strategy remains anchored in addressing the nation's Energy Trilemma, balancing energy security, sustainability and affordability while supporting a just and orderly shift toward lower-carbon energy. As Malaysia's largest IPP, the Group continues to supply dependable electricity while progressively reducing emissions intensity.

Emissions-reduction commitments, including a 30% reduction in GHG intensity by 2031 from the 2019 baseline, remain in force and are monitored through strengthened reporting systems. To enhance long-term readiness, the Group's Sustainability team has introduced the concept of Internal Carbon Pricing through Malakoff's Innovation Challenge (Non-Engineering Cohort) as a platform to fast-track its development and enhance organisational awareness, particularly among asset owners. This remains a preliminary concept at this stage. Subject to further development, the framework could potentially support the Group's investment evaluation and future planning in anticipation of possible carbon taxation.

Renewable growth continued, supported by the utility-scale solar projects secured in 2025. Efforts to advance biomass Co-Firing, targeting 15% fuel mix integration by 2027, further support emissions reduction. Sustainability disclosures were also enhanced in preparation for alignment with IFRS S1 and S2.

OUTLOOK

Climate-related policies are expected to strengthen as Malaysia advances its net-zero agenda. The *RUUPIN,* expected to take effect in 2026, will establish the regulatory foundation for carbon market oversight, emissions reporting and climate governance.

Gas will remain the fuel to support reliability as renewable generation increases. The forthcoming National Gas Roadmap, slated for release in the third quarter of 2026, is expected to formalise Malaysia's long-term direction for natural gas and reinforce the role of gas within the NETR's targeted share of the national primary energy supply by 2050.

Emissions performance will increasingly influence asset competitiveness, investment decisions and long-term planning. The Group will continue aligning its portfolio strategy, capital planning and reporting practices with evolving climate and regulatory requirements while maintaining financial discipline.

ELECTRICITY DEMAND GROWTH AND GRID READINESS

IMPACT

Electricity consumption in Malaysia continued to expand in 2025, driven by sustained industrial and commercial activity alongside an acceleration in data centre development. These facilities operate on high load, uninterrupted cycles, creating persistent strain on localised sections of the national grid, particularly within rapidly expanding digital corridors.

With demand increasing faster across selected states in Malaysia than others, future planning requires not only additional generation capacity but also stronger transmission and storage infrastructure, especially as RE gains traction. The interplay between growing demand, evolving generation mix and the need for long term system planning underscores the heightened importance of timely investment and robust capacity decisions.

OUR RESPONSE

The Group focused on maintaining high performance across its generation fleet to support the energy system's rising requirements. Thermal plants continued to play a stabilising role, ensuring dependable output while the Group evaluated renewable opportunities through a strict lens of feasibility, regulatory clarity and long term value.

During the year, the Group secured extensions for its three gas fired plants under the Energy Commission's Category 1 competitive bidding process, reaffirming the ongoing need for reliable baseload capacity amid growing national consumption. Concurrently, the Group continues to pursue RE opportunities, ensuring that commercial clarity and related risks remain consistent with the Group's risk appetite.

While grid development remains outside the Group's mandate, operating teams worked closely with the grid operator and relevant authorities to ensure smooth dispatch and minimise technical constraints. Through operational discipline and prudent capital deployment, the Group continued to support system reliability while safeguarding financial resilience.

OUTLOOK

Electricity demand is expected to keep rising, particularly in locations experiencing rapid digital infrastructure expansion. Meeting this trajectory will require carefully sequenced capacity additions, strengthened transmission networks and well supported storage capabilities.

The Group will assess opportunities selectively, focusing only on areas within its operational scope. Investment decisions will continue to be guided by strategic relevance, sound economics and consistency with the Group's role in providing stable, reliable supply.

REGULATORY AND MARKET REFORM

IMPACT

Regulatory shifts in 2025 shaped the operating environment across both the Energy and Environmental Solutions businesses. Market restructuring, tariff reviews and evolving cost recovery mechanisms influenced revenue models and competitive dynamics in the electricity sector. For Environmental Solutions, revisions to concession terms and tariffs similarly affected financial outcomes and operational commitments.

The broader policy landscape is also changing. Measures linked to carbon pricing, expanding disclosure standards and the move toward IFRS S1 and S2 alignment have elevated expectations on governance, transparency and climate risk reporting. The upcoming *RUUPIN* developed by the Ministry of Natural Resources and Environmental Sustainability, is set to provide clearer direction on carbon market oversight, adding new layers of compliance for industry participants.

Given these developments, regulatory changes increasingly affect financial planning, contracting frameworks and long term operational strategies. The Group must therefore maintain close engagement with policymakers and apply disciplined compliance practices to safeguard revenue outcomes and ensure continued operational continuity.

OUR RESPONSE

The Group maintained structured, coordinated engagement with regulators across all business segments. Dedicated personnel responsible for Government liaison monitored developments closely, ensuring that policy changes, tariff structures and concession matters were addressed in a timely and informed manner.

Asset owners are members of the Malaysian Independent Power Producers Association (MIPPA) or commonly referred to as the *Persatuan Penjana Tenaga Bebas Malaysia.* The association contributes to the collective discussions on sectoral policy and its strategic role in supporting Malaysia's evolving energy landscape.

Internally, the Group strengthened its compliance and reporting processes to prepare for alignment with emerging disclosure standards. Regulatory and tariff considerations were incorporated into financial and operational planning to ensure that capital commitments and commercial strategies reflected the prevailing policy context.

OUTLOOK

Ongoing reforms in the electricity market structure, tariff design and cost recovery mechanisms are expected to influence revenue stability and investment planning. Concurrently, carbon related measures and sustainability reporting requirements are likely to progress as national frameworks mature, particularly with the anticipated rollout of *RUUPIN*.

The Group will continue deep engagement with policymakers to ensure clear understanding of new requirements and seamless integration of regulatory expectations into operational, financial and commercial strategies.

WORKFORCE AND CAPABILITY TRANSFORMATION

IMPACT

Talent requirements in the energy and environmental sectors are shifting rapidly. The expansion of RE, adoption of digital systems and rising environmental expectations have increased demand for technical, data driven and specialised operational skills. AI enabled tools, predictive analytics and digital monitoring platforms require employees who can interpret complex information and support technology driven decision making.

Competition for expertise, especially in digital infrastructure, energy transition technologies and advanced operational roles, remains intense, influencing hiring timelines and employment costs. Employees are also seeking stronger development pathways, modern digital capabilities and performance oriented work cultures.

These trends highlight the need for sustained investment in capability-building, succession development and leadership strengthening to ensure long term operational relevance.

OUR RESPONSE

The Group strengthened recruitment to attract technical and operational talent in key areas such as engineering, digital systems, and environmental compliance, aligning hiring with evolving skill needs. Training and development programmes were expanded to deepen technical skills, leadership competencies and upskilling for digital adoption, improved plant performance and regulatory compliance.

Succession planning and workforce planning were reinforced to ensure continuity in critical roles and alignment with long-term capacity and strategic priorities. The Group also championed a culture of innovation, encouraging critical thinking and problem-solving, which has led to practical solutions delivering cost savings and improved efficiency across thermal plants.

AI is gradually being integrated into selected operations and analytics, supporting predictive maintenance, performance diagnostics and better decision-making through timely insights. These advancements complement workforce development efforts, ensuring employees can effectively use emerging technologies and strengthening long-term operational resilience.

OUTLOOK

Demand for specialised talent will remain strong as Malaysia progresses toward a more digital and energy transition oriented economy. The Group will continue investing in capability development, succession planning and leadership reinforcement to support future operational needs.

A culture of critical thinking and employee driven improvement, evident throughout the year, has already delivered efficiency gains and cost savings at the Group's thermal plants. Sustaining this culture will be central to enhancing operational resilience in the years ahead. Overall, these initiatives supported the disciplined adoption of digital capabilities while managing technology related risks.

DIGITALISATION AND TECHNOLOGICAL DEVELOPMENT

IMPACT

Rapid technological advances continue redefining how energy and environmental services operate. Greater dependence on digital platforms heightens expectations around performance, transparency and system reliability, while also increasing exposure to cyber, data and technology obsolescence risks.

Automation, analytics and AI-enabled tools are transforming maintenance and optimisation processes, placing emphasis on integration, data accuracy and real time decision support. Legacy systems and manual workflows, if not addressed, can limit responsiveness and elevate operational risk.

OUR RESPONSE

The Group continued upgrading and integrating its digital systems to strengthen operational oversight and asset performance. Predictive capabilities improved equipment reliability, while enhanced data infrastructure supported regulatory compliance and more consistent operational reporting.

Automation solutions were deployed selectively to improve efficiency, and cybersecurity safeguards were reinforced to protect critical systems. Investment decisions were guided by performance impact, operational relevance and cost considerations to avoid overextension and ensure sustainable adoption.

OUTLOOK

Digitalisation will remain central to the Group's operational agenda. The focus ahead will be on deepening system utilisation, improving data integration and embedding data-driven decision-making across functions.

As reliance on digital tools grows, cybersecurity and data governance will continue to be priority areas. Future digital initiatives will be assessed with the same disciplined approach to ensure alignment with business needs, cost efficiency and long term resilience.

VALUE CREATION MODEL

VISION
To be a fully integrated Energy generation and Environmental Solutions player, shaping a greener future through innovation and sustainability practices

MISSION
- Aspire to become the preferred employer
- Deliver superior shareholder value
- Sought after as a partner of choice
- Sustain best-in-class operating discipline
- Earn respect as a good corporate citizen

VALUES
INTEGRITY | TEAMWORK INNOVATION | EXCELLENCE | HARMONY

OUR CAPITALS → ENABLE VALUE-ADDING ACTIVITIES THAT CREATE → VALUE FOR OUR STAKEHOLDERS

INPUTS

FINANCIAL CAPITAL
- Cash Balance: **RM2.05 billion**[i]
- Market Capitalisation: **RM3.96 billion**[ii]
- Total Assets: **RM17.72 billion**
- Total Borrowings: **RM7.34 billion**

[i] Includes deposit placements classified as other investments
[ii] As per closing share price dated 31 December 2025 of RM0.81

MANUFACTURED CAPITAL
- Total RE Generating Capacity: **766 MW**
- Total Thermal Generating Capacity: **8,782 MW**[iii]
- Total Waste Management Capacity: Up to **6,200** tonnes/day
- Marine Waste & Port Reception Facility in Johor Port Volume: **35** tonnes/day
- Material Recovery & Recycling Facilities: Volume: **65 tonnes/day**
- Total Water Desalination Capacity: **472,975 m³/day**

[iii] 6,953 MW capacity via domestic thermal plants

HUMAN CAPITAL
- Total Number of Employees: **4,299**
  - 84% Male | 16% Female
- Permanent Employees: **3,375**
  - Male: 2,772 | Female: 603
- Non-permanent Employees: **924**
  - Male: 841 | Female: 83
- Total Investment in Employee Training:
  - RM2.20 million for Malakoff & Alam Flora

INTELLECTUAL CAPITAL
- Licensed to distribute up to **153 MW** of electricity in KL Sentral.
- Strong network with **10** global business partners.
- Established brand equity over the past **50 years.**

Accumulated institutional knowledge in:
- PPAs, Public-Private Partnerships, Multi-jurisdictional regulatory compliance enabling the Group to negotiate and manage complex, long-dated infrastructure contracts.
- Plant availability, outage management, performance optimisation systems, maintenance protocols, safety, quality and reliability management framework.
- Proprietary know-how embedded in end-to-end project development, life cycle asset optimisation and integrated Engineering, Procurement & Construction, O&M and project management playbooks.

SOCIAL & RELATIONSHIP CAPITAL
- Total No. of Suppliers: **4,297**
  - Local: **93.5 %** (Malakoff) **99.9 %** (Alam Flora*)
- Total Customers: MUSB**: **3,643**
  AFES***: **233** Genesis****: **29**

NATURAL CAPITAL
- Energy consumption across operations: **55,173 GWh**
- Water consumption across operations: **2,749,395 m³**

** Alam Flora Sdn. Bhd.*
*** Malakoff Utilities Sdn. Bhd.*
**** Alam Flora Environmental Solutions Sdn. Bhd.*
***** Genesis Facility Solutions Sdn. Bhd.*

CORE BUSINESS SEGMENTS

Energy

Thermal
- Operations and Maintenance
- Project Management Services
- International Operations[1]

Renewable Energy (RE)
- Solar
- Small Hydropower
- Biomass & Bioenergy
- Emerging & Enabling RE Technologies
  - Battery Energy Storage Systems (BESS)
  - EV Charging Infrastructure

Environmental Solutions

Concession
- Waste Management
- WTE[2]
- Water (MENA)

Non-Concession
- Facility Management
- Infrastructure Cleansing & Waste Solutions
- Waste Packaging & Labelling
- Marine Waste & SW Services
- Waste Pre-treatment & Waste Minimisation
- Tank Cleaning
- WTE-related Operations

[1] Independent Water and Power Plants (IWPP) (Middle East and North Africa - MENA)
[2] WTE straddles both business pillars: the electricity generated is recognised under RE, while the upstream waste management and concession activities are accounted for under Environmental Solutions. In view of WTE's principal activity of managing waste under a concession framework, the business is positioned within the Environmental Solutions segment

5-YEAR STRATEGIC FOCUS AREAS | 2026 - 2030

Setting a stronger operational and financial baseline to sustain earnings and resilience, with strategic emphasis on **Efficiency** and **Capability** to enhance plant performance, enforce cost discipline, strengthen execution readiness and optimise capital to stabilise profitability and cash flow. **Growth** focuses on expansion in RE and environmental services, while Alam Flora provides stable, recurring earnings that improve profit visibility. **Future** readiness centres on carbon management and transition preparedness, reinforcing core strengths to position the Group for disciplined, sustainable value creation.

PUSH FACTORS

Energy Demand Shift | Climate Commitment | Fuel Price Uncertainty | Need For Efficiency & Innovation

GROWTH
- Advance gas-fired growth pipeline
- Build on complementary developments
- Scale RE clusters across LSS, WTE and biomass
- Secure new concessions and priority development projects
- Explore strategic partnerships and growth opportunities

CAPABILITY
- Effective operational execution
- Readiness of resources and workforce
- Continuous capability and talent development
- Disciplined capital allocation
- Sustained profitability and value creation



EFFICIENCY
- Operational efficiency and performance optimisation of assets
- Cost discipline through operational management
- Repower initiatives for thermal assets
- Enhance asset reliability and life extension

FUTURE
- Sustainable, resilience and future-ready
- Climate change readiness
- Proactive management of GHG emissions
- Progress towards a lower-carbon future
- Transition readiness and regulatory alignment
- Technology and innovation
- Operational resilience via digitalisation

PULL FACTORS

Optimised Financial Returns | Access to Green Capital | Deliver Long-term Shareholder Value | Stronger Market Positioning

Short-term: Up to 2026
Improve operational efficiency, capability and develop execution excellence.

Medium-term: 2027 to 2030
Execute committed thermal developments, accelerate project delivery, scale RE clusters and continue pursuing new opportunities.

Long-term: 2031 to 2050
Shift from transition capacity-building to sustaining long-term relevance, delivering resilient returns through an integrated portfolio with sustainability embedded at the core of value creation.

The time horizon supports the delivery of the Group's Strategic Focus Areas, while ensuring climate considerations are integrated to future-proof the Group and strengthen our resilience.

BUSINESS TARGETS
- 10,000 MW
- 1,400 MW
- 10,000 TPD

SUSTAINABILITY TARGETS
- **30%** reduction in GHG emissions intensity by 2031 from a 2019 baseline
- No new coal investments
- RE and Environmental Solutions: **≥50%** profit contribution by 2031
- Achieving Circular Economy goal

MATERIAL MATTERS

ENVIRONMENTAL
Transitioning to a Cleaner Energy and Circular Economy Future
- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M15 Asset Life Cycle and Integrity
- M17 Water Management
- M20 Biodiversity

SOCIAL
Empowering Our People and Supporting Our Communities
- M3 Occupational Safety and Health
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights
- M16 Supply Chain Management
- M19 Community Impact

GOVERNANCE
Embedding Sustainable, Innovative Business Practices and Acting With Integrity
- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M14 Grid Stability
- M18 Technology and Innovation

KEY RISKS
- KR1 Health and Safety
- KR2 Equipment Failure and Plant Outages
- KR3 Talent Management
- KR4 Cybersecurity
- KR5 Compliance to Policies and Regulations
- KR6 Emergence of New Technologies
- KR7 Challenges in Getting New Business
- KR8 Environmental, Social and Governance (ESG)
- KR9 Fraudulent, Illegal or Unethical Acts
- KR10 Volatility in Resource Prices

MARKET TRENDS

Positive Impacts
- Structural growth in electricity demand driven by digitalisation, data centres, electrification and economic expansion, supports existing thermal fleet, planned gas developments and long-term PPAs, reinforcing earnings stability and relevance.
- Government's commitment to NETR and NEP is accelerating investment in renewables, transitional fuels and grid resilience.
- Continued role of gas as a transitional fuel.
- Demand for waste management and resource recovery is rising, positioning Malakoff's integrated waste platform as a key competitive advantage.
- Capital markets increasingly favour companies with clear transition pathways, ESG credibility and sustainability-linked growth.
- Market moving away from pure-play generators toward integrated solutions providers that combine reliability, transition assets and environmental services.

Negative Impacts
- Fuel price volatility, inflationary pressures and supply chain disruptions exert upward pressure on operating and capital costs, affecting margins and project economics.
- Evolving energy-transition policies, including carbon pricing and market reforms, create uncertainty for long-term planning and investment decisions.
- As renewables expand, long-term demand for thermal generation may decline, increasing the risk of lower utilisation or early asset retirement.
- Heightened competition in RE, compresses returns and increases execution risk, particularly in utility-scale solar and emerging technologies.
- Rapid intermittent renewable expansion, combined with grid and storage constraints, limit flexibility and increase costs.
- Increase in frequency and severity of extreme weather pose physical risks to assets, operations and supply chains, affecting plant capacity, maintenance costs and insurance exposure environmental services.

OUTPUTS

22,446 GWh
Gross energy produced (TBPP, TBEPP, SEV, PPP, MUSB and Solar)

International Power Generated:
6,780 GWh

Total waste managed by Alam Flora and AFES:
1,388,826 tonnes

Completed installation of **7.4 MW** capacity of Commercial and Industrial (C&I) solar projects

Total GHG emissions based on financial control approach for assets owned and operated by the Group in Malaysia (Scope 1, 2 and 3): **18.3 million** tCO_2e

- ***TBPP:*** *Tanjung Bin Power Plant in Johor*
- ***TBEPP:*** *Tanjung Bin Energy Power Plant in Johor*
- ***SEV:*** *SEV Power Plant in Segari, Perak*
- ***PPP:*** *Prai Power Plant in Penang*

OUTCOMES

FINANCIAL CAPITAL
- Revenue: **RM7,209.3 million** (2024: RM8,969.6 million)
- PATMI: **RM96.1 million** (2024: RM268.7 million)
- EBITDA: **RM1,722.9 million** (2024: RM1,973.6 million)
- Earnings Per Share: **0.84 sen** (2024: 4.44 sen)
- Net Assets Per Share: **RM0.89** (2024: RM0.92)
- Dividend Per Share: **2.36 sen** (2024: 4.40 sen)

MANUFACTURED CAPITAL
- Net Energy Sold by Local Thermal Plants: **31,712 GWh** (2024: 35,039 GWh)
- Total Waste Managed by Alam Flora: **1,388,826 tonnes** (2024: 1,243,371 tonnes)
- Recycling Tonnage Managed: **6,826 tonnes**

HUMAN CAPITAL
- Lost Time Incident Rate (LTIR)
  Malakoff: **1.02**
  Alam Flora: **1.04**
  AFES: **0.28**
- Total Training Hours:
  Malakoff: **29,504** hours
  Alam Flora: **11,420** hours

INTELLECTUAL CAPITAL
- Expansion of services in providing solar technologies to clients who are transitioning to cleaner energy sources.
- Maintained 99% availability of our critical systems and recorded zero major cybersecurity incidents.
- Certifications Achieved:
  - ISO 14001:2015 Environmental Management Systems
  - ISO 9001:2015 Quality Management Systems
  - ISO 45001:2018 Occupational Health and Safety Management Systems
  - ISO 37001 Anti-Bribery Management Systems
  - ISO 27001:2022 Information Security Management Systems

SOCIAL & RELATIONSHIP CAPITAL
- Energy business invested **RM250,000** focusing on education and community enrichment programmes, which benefitted **3,000** individuals.
- Environmental Solutions business invested **RM119,290** focusing on community enrichment programmes, which benefitted **2,000** individuals.

NATURAL CAPITAL
- **63.8 GWh** of clean energy generated, reducing carbon emissions by **47,188** tCO_2e from ZEC solar farm and C&I solar facilities.

STAKEHOLDERS

Underpinned by **OUR OVERARCHING GOVERNANCE**

Guided by Shariah principles, we uphold the highest standards of integrity in our decisions and actions to uplift our communities and nation

OUR STRATEGY

OVERVIEW

Malakoff's strategy balances its role in delivering reliable and affordable energy with a deliberate expansion of environmental solutions that support a measured transition towards a more diversified and lower-carbon portfolio. This positions the Group as an integrated platform providing both conventional and emerging Energy solutions alongside a growing Environmental Solutions business, reinforcing its distinct value proposition in the sector.

Positioned at the core of Malaysia's power infrastructure, Malakoff operates within a highly regulated environment where reliability, affordability and disciplined capital management are essential to sustaining long-term performance. The Group's ability to sustain performance hinges on consistent delivery and prudent management of its assets and investments.

Malakoff Strategic Transformation 2.0 introduced in 2021 was designed to accelerate the Group's transition towards cleaner energy, including RE, while maintaining a disciplined balance across the energy trilemma of security, sustainability and affordability, principles that remain central to Malakoff's long-term mandate. To sharpen the Group's strategic focus, Malakoff was rebranded around three core business pillars: Energy, Green Solutions and Environmental Solutions, underscoring the Group's commitment to RE adoption, circular economy advancement and national energy security. However, heightened focus on climate-related matters, regulatory change and market shifts especially in relation to the energy and utility sector are reshaping the strategic context in which Malakoff operates. Recognising the need to remain competitive while supporting the nation's transition agenda, Malakoff embarked on a strategic reset to anchor its next phase of growth and transformation. As part of this process, the Group introduced the **Strategic Plan 2026–2030: Setting the Baseline**, with a stronger reiteration on Energy and Environmental Solutions, establishing a solid platform for its future direction.

Against a backdrop of rising demand, greater system complexity and elevated cost pressures, the Group consciously prioritised reliability, maintenance rigour and capital discipline. Recognising the capital-intensive nature of new power, renewable and environmental investments, the Group has decided to adopt a sequenced approach to initiative rollout, placing importance on execution certainty and financial resilience in addition to accelerated expansion.

Following the establishment of a clearer operating baseline, priorities were refined to strengthen delivery capability and organisational resilience. While broad-based expansion remains a core ambition, priority was placed on strengthening the systems, processes and organisational capacity required to execute reliably. This approach ensures that as opportunities arise, the Group is well-positioned to pursue expansion in a disciplined manner, while advancing transition initiatives aligned with defined regulatory and commercial pathways.

Over the 2026–2030 period, the Group's strategy is anchored on four Strategic Focus Areas: **Growth, Efficiency, Capability and Future**, spanning the Energy and Environmental Solutions segments. Collectively, these focus areas form an integrated framework that guides how resources are deployed, strengthens organisational discipline, and aligns immediate operational execution with the Group's longer-term transformation ambition, while steering the organisation toward its aspiration of becoming **A Fully Integrated Energy Generation and Environmental Solutions Player.**

Malakoff's strategic architecture ensures that the Group's long-range commitments are supported by a clear understanding of its operational fundamentals and the evolving market environment. By anchoring decision-making in a realistic appraisal of performance trends, institutional strengths and the regulatory environment, the organisation establishes a clear baseline point for translating strategic intent into measurable progress.

STRATEGIC INTENT

Malaysia's policy direction over the next decade is clear: strengthen energy security, expand renewables at scale, modernise the grid and accelerate circular economy solutions including developing more WTE plants. Malakoff's strategic intent is shaped around these national priorities while building the capabilities needed to support this transition. This means ensuring dependable baseload generation, advancing affordable energy solutions and scaling environmental services that directly contribute to the country's sustainability and resource management priorities.

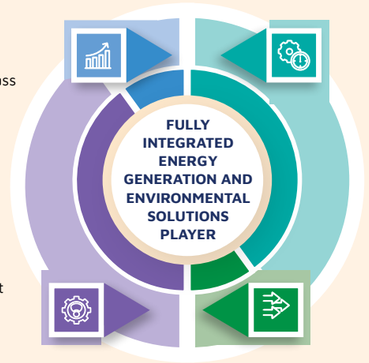
This intent serves as a unifying guide for decisions made across both the Energy and Environmental Solutions pillars. It provides a consistent reference point for evaluating strategic choices, sequencing investments and ensuring that every initiative including PPA extensions of expiring gas plants, development of new gas plants and WTE initiative, aligns with Malaysia's evolving energy and environmental agenda.

PUSH FACTORS

Energy Demand Shift | Climate Commitment | Fuel Price Uncertainty | Need For Efficiency & Innovation

GROWTH
- Advance gas-fired growth pipeline
- Build on complementary developments
- Scale RE clusters across LSS, WTE and biomass
- Secure new concessions and priority development projects
- Explore strategic partnerships and growth opportunities

CAPABILITY
- Effective operational execution
- Readiness of resources and workforce
- Continuous capability and talent development
- Disciplined capital allocation
- Sustained profitability and value creation



EFFICIENCY
- Operational efficiency and performance optimisation of assets
- Cost discipline through operational management
- Repower initiatives for thermal assets
- Enhance asset reliability and life extension

FUTURE
- Sustainable, resilience and future-ready
- Climate change readiness
- Proactive management of GHG emissions
- Progress towards a lower-carbon future
- Transition readiness and regulatory alignment
- Technology and innovation
- Operational resilience via digitalisation

PULL FACTORS

Optimised Financial Returns | Access to Green Capital | Deliver Long-term Shareholder Value | Stronger Market Positioning

Short-term: up to 2026

Improve operational efficiency, capability and develop execution excellence.

Medium-term: 2027 to 2030

Execute committed thermal developments, accelerate project delivery, scale RE clusters and continue pursuing new opportunities.

Long-term: 2031 to 2050

Shift from transition capacity-building to sustaining long-term relevance, delivering resilient returns through an integrated portfolio with sustainability embedded at the core of value creation.

Malakoff's strategy is executed through a three-horizon approach embedded within our governance, budgeting and business planning cadence. Across the short-, medium- and long-term, this approach supports the delivery of the Group's Strategic Focus Areas, while ensuring climate considerations are integrated to future-proof the Group and strengthen our resilience.

STRATEGY IN EXECUTION: ALIGNING INTENT WITH DELIVERY

STRATEGIC INTENT	PORTFOLIO FOCUS	EXECUTION PRIORITIES	VALUE OUTCOMES
• Energy security and affordability • Sequenced energy transition • Capital discipline and delivery readiness	• Thermal reliability base • Renewables and WTE as selective transition assets • Concession-based environmental services platform • Circular economy and WTE solutions	• **Growth:** selective and contract-backed projects • **Efficiency:** operational reliability and cost control • **Capability:** people, systems and execution capacity • **Future:** transition readiness and resilience	• Earnings stability and visibility • Prudent capital deployment • Transition readiness • Sustainable long-term value

STRATEGIC INTENT BY FOCUS AREAS

FOCUS AREA	ENERGY SECURITY	AFFORDABILITY	TRANSITION	CAPITAL DISCIPLINE
STRATEGIC INTENT	Maintain reliable baseload generation to support national demand growth, grid stability and system resilience over the medium term.	Preserve cost discipline through long-term contractual agreements, efficient operations and prudent capital allocation.	Develop decarbonisation and environmental solutions in a sequenced manner aligned with policy direction.	Align investment decisions with regulatory clarity, financial strength and risk capacity.

These intent statements reinforce the Group's emphasis on reliability and discipline. They also provide a clear reference for assessing priorities between near-term performance, capital deployment and longer-term transition objectives, particularly when regulatory frameworks and market conditions continue to evolve.

OUR STRATEGY

OUR STRATEGY

PORTFOLIO FOCUS

Malakoff's move from a three pillar business structure to a well balanced dual platform portfolio encompassing Energy and Environmental Solutions, reflects a clearer view of the Group's long-term strengths and Malaysia's policy priorities. Unlike most peers that operate solely as IPPs, utilities or pure RE developers, Malakoff's portfolio covers utility scale generation and circular economy services, creating a broader and more resilient foundation for sustained growth and continued national relevance.

Within the Energy segment, thermal generation continues to provide system-critical reliability and firm capacity essential for grid stability, while RE advance Malaysia's decarbonisation agenda through the expansion of renewable programmes and other lower-carbon initiatives as the national energy mix evolves. Environmental Solutions, anchored by Alam Flora's municipal and SW operations, recycling programmes and the development of WTE projects, provides earnings supported by long-term service arrangements and concessions, complementing the Group's power portfolio.

This combination creates a competitive advantage in several ways, mainly in diversifying earnings beyond conventional power generation and reduces reliance on single sector revenue cycles. It further enables multi-service offerings, integrating power, waste and renewable solutions for the same customer or authority, a capability most Malaysian peers do not possess. Malakoff's role in large-scale waste management provides familiarity with concession frameworks, municipal stakeholders and regulatory processes that strengthen its credibility in securing and delivering long-term environmental infrastructure, including WTE.

These combined strengths uniquely position Malakoff at the intersection of Malaysia's energy transition, circular economy ambitions and urban sustainability agenda, reinforcing the Group's relevance to policymakers, enhancing investor confidence and opening pathways for ESG linked financing. From a strategic lens, the dual platform structure provides resilience against energy market shifts, creates optionality for new business models and lays the foundation for expansion in environmental stewardship.

Malakoff today is not merely an IPP transitioning into RE, it is transforming into a fully integrated energy and environmental solutions provider, aligned with national priorities and equipped to meet future demand.

Notwithstanding, thermal generation assets continue to support the reliability of Malaysia's power system, alongside the Group's broader portfolio of energy and environmental solutions. Long-term PPAs and active asset management practices ensure these assets remain dependable in meeting national demand and sustaining grid stability.

Concurrently, Malakoff's renewable and green energy solutions form a key pillar of its transition journey. The expansion of grid scale solar and C&I solar projects reflects a deliberate commitment to support Malaysia's decarbonisation agenda although going forward, the Group will increasingly prioritise LSS projects, with C&I initiatives playing a more measured role. Supported by enabling regulations, viable commercial models and delivery readiness, our initiatives continue to progress, reinforcing confidence in Malakoff's ability to execute credibly and drive sustainable growth while enhancing long term competitiveness.

The Environmental Solutions platform, anchored by concession-based municipal and SW management, and complemented by circular economy initiatives including WTE developments, has become increasingly important to earnings diversification and medium-term resilience. It expands Malakoff's relevance beyond the power sector into essential national priorities such as waste transformation, resource recovery and urban sustainability.

The Energy and Environmental Solutions pillars provide Malakoff with a balanced operating base that supports current performance while building the capabilities, revenue mix and strategic positioning required for the years ahead. This integrated structure creates a resilient platform that differentiates the Group from power-only peers, broadens concession-driven income streams and enables expansion into WTE and circular-economy activities. It also strengthens Malakoff's standing with regulators, investors and lenders, reinforcing confidence in the Group's long-term direction beyond the conventional PPA-centred model.

TARGETS AND POSITIONING

ENERGY

- Foundation for baseload reliability and contracted earnings, supported by long-term PPAs, disciplined maintenance and life cycle management. The thermal portfolio underpins energy security while progressing towards the target capacity through asset life extensions, repowering and efficiency improvements.

10,000 MW by 2031

- RE projects mainly grid-scale solar projects are selectively developed to complement thermal operations, strengthening reliability while ensuring contracts, pricing and costs remain commercially neutral for the Group.

1,400 MW by 2031

ENVIRONMENTAL SOLUTIONS

Concession and non-concession waste management operations, supported by circular economy and WTE initiatives. The Environmental Solutions platform is being scaled to support a medium-term target, anchored by concession-based operations and WTE developments.

10,000 tonnes per day of waste by 2031



Balancing reliable Energy generation with scalable Environmental Solutions for a sustainable future.

EXECUTION PRIORITIES

In the fourth quarter of 2025, a comprehensive assessment of the Group's operational performance and organisational capability was initiated to establish a clear baseline for the Group's next phase of growth and transformation. This diagnostic phase identified priority areas for strengthening reliability, delivery systems and governance, forming the groundwork for the execution programme to be rolled out into 2026 and beyond. This clarity enabled the Group to align its operational priorities with Malaysia's broader energy transition direction and to prepare the organisation to deliver upcoming projects with greater discipline, agility and confidence.

KEY INITIATIVES AND DELIVERY MILESTONES

ENERGY

ACTIONS AND INITIATIVES
• Secured operating extensions for three gas plants - PPP in Penang, GB3 and SEV in Perak, each with updated tenure periods running between 2026 and 2030, preserving a combined 2,082 MW of contracted capacity and supporting continued system reliability and earnings visibility.
• Carried out maintenance planning, outage optimisation and asset integrity management across the Group's power plants.
• Established Malakoff Evergreen Sdn. Bhd. (MEVSB), a 70:30 joint veture between Malakoff and EE Solar Sdn. Bhd. to pursue greenfield solar photovoltaic and related RE opportunities in Sarawak. • MEVSB entered into a 30-year PPA with Syarikat SESCO Berhad for the development and supply of electricity from a 100 MW solar photovoltaic facility in Bintulu, Sarawak.
• Awarded the Energy Commission's 470 MW LSS PETRA 5+ project in Larut, Perak. • Executed a 21-year PPA with Tenaga Nasional Berhad (TNB).
• Prepared to participate in upcoming LSS 6 and BESS* programmes.

* BESS: Battery Energy Storage System

ENVIRONMENTAL SOLUTIONS

ACTIONS AND INITIATIVES

- Completed the acquisition of a 49% equity interest in E-Idaman Sdn. Bhd., strengthening the segment's waste management capacity and expanding its geographic footprint in the northern states of Peninsular Malaysia.

- Continued rollout of Alam Flora's fleet renewal programme, following the introduction of 308 modern waste management vehicles to enhance service reliability and operational efficiency across Kuala Lumpur, Putrajaya and Pahang. The initiative also incorporated technology upgrades including advanced route optimisation systems, low-emission engines and enhanced safety features.
- Ongoing enhancements to waste collection infrastructure, including the joint rollout with SWCorp of 314,950 new mobile garbage bins to support cleaner, more efficient collection standards across service areas.
- Modernisation of operational facilities, supported by Alam Flora's phased office relocation to Plaza Sentral beginning July 2025, enabling improved coordination, workforce readiness and service integration.
- Contribution to Malakoff's Environmental Solutions agenda, reinforcing the Group's role in advancing urban cleanliness, circular economy practices and Malaysia's recycling and sustainability targets.

- Expansion of non-concession waste management services through acquisitions and contract awards to diversify revenue streams.

- Secured a 34-year concession for the Sungai Udang WTE plant, which will operate with the following key attributes:
  - Process 1,056 tonnes per day (tpd) of municipal solid waste.
  - Generate approximately 22 MW of gross RE.
  - Expected to divert over 300,000 tonnes of waste from landfills annually, avoiding 75,000 tonnes of CO_2 emissions.
  - Manage processing waste from approximately 230,000 households and supply electricity to about 34,000 households.

- Engagement with relevant electricity purchasers and authorities towards PPA finalisation for the Sungai Udang WTE project.

CAPABILITY AND GOVERNANCE

ACTIONS AND INITIATIVES

- Strengthening of safety governance, operational controls and incident response following events at the Tanjung Bin Power Plant complex.

Despite a challenging 2025 from a financial standpoint, the strategic milestones achieved have positioned the Group on firmer footing to drive execution and long-term value creation, as stated below:

Baseload Reliability: Continued delivery of electricity under long-term PPAs, supporting rising national electricity demand and supply reliability.

Gas Portfolio Continuity: Extension of operating tenures for SEV, GB3 and Prai power plants, maintaining continuity of contracted earnings.

Solar Portfolio: Secured long-term contracted revenue through the Bintulu solar PPA and the award of the LSS PETRA 5+ project in Perak.

Environmental Solutions: Improved operational contribution from Alam Flora through higher fleet availability and service consistency.

WTE: Sungai Udang WTE concession, establishes the Group's foray into the WTE platform.

Operational resilience: Strengthening of operational controls and safety oversight following incidents at the Tanjung Bin Complex.

VALUE OUTCOMES

Through a clear and focused execution of its strategy, Malakoff sustains earnings, protects capital and maintains reliable operations while supporting Malaysia's energy phasing in a practical and responsible manner. This disciplined posture ensures that the Group remains a dependable partner in delivering system-critical energy and environmental services during a period of national infrastructure expansion and evolution.

The emphasis on strengthening efficiency and organisational capability supports near-term performance and underpins earnings stability over the medium-term. By prioritising initiatives in line with market conditions and sequencing investments carefully, the Group maintains strategic flexibility and protects long-term value across changing economic and industry cycles.

Beyond financial outcomes, the values created in 2025 also translate into tangible benefits.

Workforce: The Group's renewed focus on operational excellence, capability building and technology adoption, including the use of digital tools and AI, enhances safety, strengthens technical competencies and equips employees with future relevant skills. These technologies are introduced to support, not replace, the workforce by improving decision making, streamlining operational processes and reducing manual risks. Through these efforts, employees are better prepared for the execution of newly secured large scale projects, creating a more resilient, future ready organisation with expanded career pathways across both Energy and Environmental Solutions.

Government and Regulators: The project wins, including power plant extensions, grid-scale solar development and WTE concessions, reflect trust in the Group's proven delivery track record, concession experience and long-standing role in supporting national priorities. These outcomes reinforce Malakoff as a reliable partner in strengthening energy security, advancing decarbonisation and driving circular economy solutions aligned with policy direction.

Customers: Diversified solutions across thermal, RE and environmental services provide stable, reliable and increasingly low-carbon offerings. This supports customers' own sustainability commitments while ensuring continuity of essential services in a rapidly evolving market.

Public: The Group's contributions to baseload reliability, waste management and environmental infrastructure underpin everyday quality of life, ensuring stable electricity supply, cleaner urban environments and enhanced long-term environmental stewardship.

Collectively, these value outcomes demonstrate how Malakoff's strategy delivers benefits that extend beyond financial performance, reinforcing the Group's relevance to stakeholders while laying a stronger foundation for disciplined growth and nation building.

OUTLOOK AND PRIORITIES

Malaysia's energy sector is entering a high growth, transformative phase in 2026, driven by strong load expansion from AI-related data centres, accelerated implementation of the NETR and a nationwide push to strengthen grid infrastructure.

Given these sector-wide dynamics, priorities are increasingly focused on expanding gas-fuelled capacity. This is reflected in the EC recent NEWGEN26 tender, which calls for new gas-fired generation to be developed for commissioning between 2029 and 2031. Efforts are being directed toward scaling up RE, modernising the transmission and distribution network, and exploring ways to 'clean' high-emission power plants. These measures collectively support a gradual shift towards a lower-carbon, market-based energy system.

Peak electricity demand in Peninsular Malaysia is rising at its fastest rate in nearly a decade, fuelled by hyperscale data centre development in Johor and Selangor. This is accelerating the urgency for reliable baseload capacity, flexible generation and grid supporting technologies such as BESS.

At the same time, the regional power grid connectivity initiatives and expanding industry led RE programmes, including LSS 6; Solar ATAP (Solar Accelerated Transition Action Programme) rooftop solar scheme for households and businesses; and the Corporate Renewable Energy Supply Scheme (CRESS) under the Third-Party Access (TPA) framework, which enables companies to purchase green power electricity directly from developers; are reshaping the outlook for power producers.

Moving forward, the operating environment is expected to remain complex, with continued growth in electricity demand, evolving policies and heightened expectations around resilience and sustainability. In this context, the Group will continue to prioritise actions that preserve financial resilience while maintaining flexibility to respond to emerging opportunities.

OUR STRATEGY

HOW MALAKOFF IS POSITIONED TO SUPPORT MALAYSIA'S FUTURE ENERGY NEEDS

In this evolving environment, Malakoff's strategic actions, particularly its strengthened baseload position and expanding environmental solutions platform, directly support the nation's transition and security priorities.

Supporting Malaysia's Demand Surge Through Responsible Baseload Transition
The extension of operating tenures for SEV, GB3 and PPP, together with the prospect of developing two new gas-based projects, ensures continuity of dependable generation at a time when system demand is rising rapidly. These assets underpin grid stability while enabling a responsible transition away from coal and towards a diversified lower-carbon mix. This positions Malakoff as a key contributor to national energy security.

Aligning with National RE Acceleration
Malakoff's growing RE and green energy portfolio, including utility scale solar, as well as participation in LSS and upcoming BESS initiatives, supports Malaysia's goal of bringing 10.5 GW of new RE online by 2030. These projects strengthen the Group's transition pathway while complementing its baseload assets in balancing system intermittency.

Advancing Circular Economy and WTE
Through Alam Flora and its expanding WTE developments, Malakoff contributes to national waste transformation, resource recovery and circular economy goals - areas increasingly prioritised under the NETR and Malaysia's environmental agenda. This strengthens the Group's relevance beyond power generation and broadens concession based revenue streams.

Strengthening Internal Capabilities, Ensuring Delivery of Awarded Projects
The shift towards operational resilience, capability building and stronger governance ensures the organisation is equipped to deliver its newly secured gas, solar and WTE projects with discipline and reliability. This includes enhancing technical competencies, upgrading operational systems, and integrating digital and AI enabled tools to support efficiency and safety-reinforcing Malakoff's credentials as a dependable partner in national infrastructure delivery.

Reinforcing Credibility
The successful award of multiple long-term projects, including gas asset extensions, solar PPAs and the Sungai Udang WTE concession, reflects continued confidence in Malakoff's experience, delivery track record and concession management capabilities. This trust reinforces the Group's standing as a credible partner in nation building as Malaysia advances the next phase of RE deployment in addition to the grid and environmental infrastructure programmes in the years ahead.

As Malaysia accelerates its energy transition while accommodating unprecedented demand growth from digital infrastructure, Malakoff plays a pivotal role through:

- Reliable and flexible baseload generation via thermal plant extensions and new capacity.
- Scaled RE development aligned with national pathways, including LSS, Solar ATAP and CRESS.
- Circular economy and WTE solutions that support sustainability and diversify national infrastructure.
- Strengthened internal delivery capabilities to execute large scale projects responsibly.

This underscores Malakoff's role in supporting Malaysia's future energy landscape, balancing security, affordability and sustainability in line with national priorities.

KEY RISKS AND MITIGATION



Malakoff operates in a regulated and capital-intensive environment where operational reliability, regulatory compliance and financial discipline are critical to sustained performance.

A structured risk management framework is embedded across business units to identify, assess and manage risks that may affect strategy execution, financial stability and long-term value creation.

However, recognising that climate-related risk management is an evolving discipline, Malakoff has initiated the identification and registration of selected climate-related risks within its Enterprise Risk Management System (ERMS) framework as a foundation for more comprehensive monitoring over time. Further details relating to climate-related risks and opportunities can be found in the Climate-related Disclosures (Sustainability Statement).

For the purpose of this section, the Group focuses on Malakoff's enterprise-wide risks for 2025. The key risks identified are outlined below, together with the principal measures implemented to manage and mitigate these risks.

KR1 HEALTH AND SAFETY

Risk Category: Operational Risk **Risk Impact:** High

Impact:
Operations in power generation and environmental services expose employees and contractors to industrial and site-related hazards. Failure to maintain effective health and safety controls may result in serious injury or loss of life, enforcement action, operational disruption and reputational harm.

Response and Mitigation Actions
- Enforced site-specific health and safety management systems in accordance with statutory requirements.
- Conducted mandatory safety induction and refresher training for employees and contractors.
- Performed scheduled hazard identification and risk assessments across operational sites.
- Monitored incident trends and implement corrective measures where required.
- Reviewed emergency response procedures and conducted periodic drills.

Opportunities Arising from this Risk
- Reinforced stakeholder trust by maintaining strong safety performance records.
- Enhanced workforce confidence and morale through visible commitment to safe working conditions.
- Improved operational reliability through disciplined safety management practices.
- Reinforced stakeholder trust by maintaining strong safety performance records.

Material Issues: M3 M4 M19 **Capitals:** **Stakeholders:**

KR2 EQUIPMENT FAILURE AND PLANT OUTAGES

Risk Category: Operational Risk **Risk Impact:** High

Impact:
Unplanned equipment failure or plant outages may reduce output, increase maintenance expenditure and affect compliance with contractual performance obligations. Extended downtime may adversely impact financial results and operational reliability.

Response and Mitigation Actions
- Implemented preventive and condition-based maintenance programmes for critical assets.
- Maintained inventory of critical spare parts to support timely repairs.
- Conducted root cause analysis following significant failures and implement corrective actions.
- Tracked equipment performance indicators to detect deterioration at an early stage.
- Maintained contingency procedures to minimise service disruption.

Opportunities Arising from this Risk
- Improved asset reliability through systematic maintenance programmes.
- Extended asset life cycles through proactive performance monitoring.
- Enhanced operational efficiency through data-driven maintenance practices.

Material Issues: M4 M15 M14 **Capitals:** **Stakeholders:**

KR3 TALENT MANAGEMENT

Risk Category: Operational Risk **Risk Impact:** Moderate

Impact:
Expansion into renewable energy and environmental solutions increases demand for specialised technical and managerial capability. An inability to attract, develop or retain skilled personnel may affect productivity, succession planning and execution of strategic initiatives.

Response and Mitigation Actions
- Implemented succession planning for critical leadership and technical roles.
- Delivered structured technical and leadership development programmes.
- Benchmarked remuneration and benefits against industry standards.
- Conducted employee engagement surveys and implement targeted follow-up actions.
- Aligned workforce planning with projected business growth areas.

Opportunities Arising from this Risk
- Strengthened internal capability through sustained investment in leadership and technical development.
- Improvedretention and reduced recruitment costs through structured engagement initiatives.
- Built a robust internal talent pipeline to support succession continuity.
- Strengthened the Group's standing as an employer.
- Aligned academic and industry collaboration to support long-term capability development.

Material Issues: M10 M11 **Capitals:** **Stakeholders:**

KR4 CYBERSECURITY

Risk Category: Operational Risk **Risk Impact:** Moderate

Impact:
Increasing digitalisation of operational and corporate systems heightens exposure to cybersecurity threats. A significant breach may result in operational disruption, compromise sensitive data, financial loss and regulatory liabilities, with consequent reputational damage.

Response and Mitigation Actions
- Deployed multi-layered cybersecurity controls including encryption, firewalls and intrusion detection systems.
- Conducted periodic vulnerability assessments and penetration testing.
- Enforced strict access control protocols for critical systems and data.
- Monitored network activity to detect and respond to suspicious behaviour.
- Provided cybersecurity awareness training to employees.

Opportunities Arising from this Risk
- Reinforced the Group's reputation as a secure and reliable operator.
- Strengthened system resilience through enhanced cybersecurity controls.
- Enhanced operational continuity through proactive cyber risk management.

Material Issues: M18 M2 M4 **Capitals:** **Stakeholders:**

KR5 COMPLIANCE TO POLICIES AND REGULATIONS

Risk Category: Operational Risk **Risk Impact:** Moderate

Impact:
The Group operates across multiple jurisdictions and is subject to extensive regulatory requirements. Non-compliance with applicable laws, licence conditions or internal policies may result in financial penalties, legal action, operational disruption and reputational damage.

Response and Mitigation Actions
- Conducted regular internal audits and compliance reviews.
- Monitored legislative and regulatory developments relevant to the Group's operations.
- Assessed potential impacts of regulatory changes and update policies where required.
- Implemented structured reporting mechanisms for compliance matters.
- Provided training on regulatory and policy requirements to relevant personnel.

Opportunities Arising from this Risk
- Strengthened governance standards through disciplined compliance practices.
- Enhanced organisational readiness in responding to regulatory developments.
- Improved operational processes through structured policy reviews and monitoring.

Material Issues: M2 M1 **Capitals:** **Stakeholders:**

KR6 EMERGENCE OF NEW TECHNOLOGIES

Risk Category: Business Risk **Risk Impact:** Moderate

Impact:
Rapid technological developments in energy generation, storage and environmental solutions may reduce the competitiveness of existing assets and business models. Failure to adapt to technological change may affect market relevance and long-term positioning.

Response and Mitigation Actions
- Monitored technological advancements within the energy and environmental sectors.
- Evaluated strategic implications of emerging technologies on existing operations.
- Established partnerships with technology providers and research institutions.
- Assessed investment opportunities in technologies aligned with business priorities.
- Supported internal capability development in new technology areas.

Opportunities Arising from this Risk
- Leveraged advanced technologies to improve operational decision-making.
- Improved operational efficiency through timely technology adoption.
- Integrated lower-carbon and sustainable technologies to support transition objectives.

Material Issues: M18 M6 **Capitals:** **Stakeholders:**

KR7 CHALLENGES IN GETTING NEW BUSINESS

Risk Category: Business Risk **Risk Impact:** Moderate

Impact:
Competitive pressures, regulatory constraints and market uncertainties may affect the Group's ability to secure new contracts and projects. Lower success in securing new projects may limit revenue expansion and diversification of income streams.

Response and Mitigation Actions
- Conducted structured market analysis to identify emerging demand trends.
- Maintained active engagement with key customers and regulators.
- Developed targeted bid strategies for priority market segments.
- Evaluated regional opportunities in Malaysia, the Middle East and ASEAN markets.
- Reviewed project pipeline regularly to prioritise commercially viable opportunities.

Opportunities Arising from this Risk
- Strengthened stakeholder confidence through delivery of sustainable returns.
- Deepened customer relationships to enhance retention and recurring business.
- Enhanced the clean energy portfolio to support investor confidence and customer engagement.

Material Issues: M9 M6 **Capitals:** **Stakeholders:**

KR8 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Risk Category: Reputational and Sustainability Risk **Risk Impact:** Moderate

Impact:
Heightened stakeholder expectations and evolving regulatory requirements increase exposure to ESG-related risks. Failure to meet sustainability commitments or disclosure obligations may result in reputational damage, operational constraints and restricted access to financing.

Response and Mitigation Actions
- Implemented a Group-wide ESG framework aligned with recognised standards.
- Integrated ESG considerations into strategic planning and capital allocation decisions.
- Monitored sustainability performance indicators and report progress transparently.
- Engaged with stakeholders to identify and address material ESG concerns.
- Reviewed governance structures supporting sustainability oversight.

Opportunities Arising from this Risk
- Enhanced access to capital through strong ESG performance.
- Strengthened competitive standing through enhanced environmental practices.
- Supported implementation of the decarbonisation roadmap in alignment with national net-zero ambitions.

Material Issues: M5 M7 M8 M12 M1 **Capitals:** **Stakeholders:**

KR9 FRAUDULENT, ILLEGAL OR UNETHICAL ACTS

Risk Category: Reputational and Bribery Risk **Risk Impact:** Moderate

Impact:
Fraudulent, illegal or unethical conduct may result in financial losses, legal consequences and regulatory scrutiny. Such incidents may undermine stakeholder trust and corporate reputation.

Response and Mitigation Actions
- Conducted ethics and anti-corruption training programmes for employees.
- Maintained and periodically review the Code of Ethics and Conduct.
- Provided secure whistleblowing channels with confidential reporting mechanisms.
- Investigated reported incidents and implement disciplinary measures, where appropriate.
- Monitored compliance with anti-bribery and corruption policies.

Opportunities Arising from this Risk
- Reinforced a culture of integrity and accountability across the organisation.
- Strengthened stakeholder confidence through transparent reporting mechanisms.
- Enhanced governance standards through continuous ethics oversight.

Material Issues: M1 M2 **Capitals:** **Stakeholders:**

KEY RISKS AND MITIGATION

KR10 VOLATILITY IN RESOURCE PRICES

Risk Category: Market Risk **Risk Impact:** Moderate

Impact:
Fluctuations in fuel and other resource prices may affect cost structures, revenue stability and profitability. Price volatility may also place pressure on supply chains and contractual arrangements.

Response and Mitigation Actions
- Implemented hedging strategies where appropriate to manage price exposure.
- Negotiated pricing arrangements to improve cost predictability.
- Diversifed supplier base to reduce dependency on a single source.
- Utilised forecasting tools to support procurement planning and cost management.
- Reviewed contractual pricing provisions to manage exposure to input cost fluctuations.

Opportunities Arising from this Risk
- Strengthened procurement controls through structured price risk management.
- Enhanced cost forecasting capability to support financial planning.
- Strengthened supplier diversification to improve supply chain resilience.

Material Issues: M7 M4 M16 **Capitals:** **Stakeholders:**

The accelerating impacts of climate change, ranging from polar ice melt and sea level rise to rising temperatures and more frequent extreme weather events, are affecting communities and ecosystems worldwide. These impacts disrupt natural systems, damage infrastructure, threaten food security, and pose increasing risks to human health, while contributing to displacement and biodiversity loss. Given these escalating risks, climate action has increasingly become significant.



Malakoff treats climate change as a material risk within its ERMS framework. The Group has registered climate-related physical risks, particularly in relation to its power plant assets, with key climate hazards including flooding, fire, geotechnical instability and extreme weather events that could disrupt operations and damage critical infrastructure in the ERMS framework. Malakoff has also recognised a climate-related transition risk under its ERMS, arising primarily from the evolving policy, regulatory and market responses to climate change. This specifically relates to the Group's potential exposure to carbon pricing mechanisms, which may increase operating costs and influence asset competitiveness, investment decisions and long-term business sustainability.

Please refer to the Climate-related Disclosures (Sustainability Statement) on pages 228 to 239.

OUR PERFORMANCE

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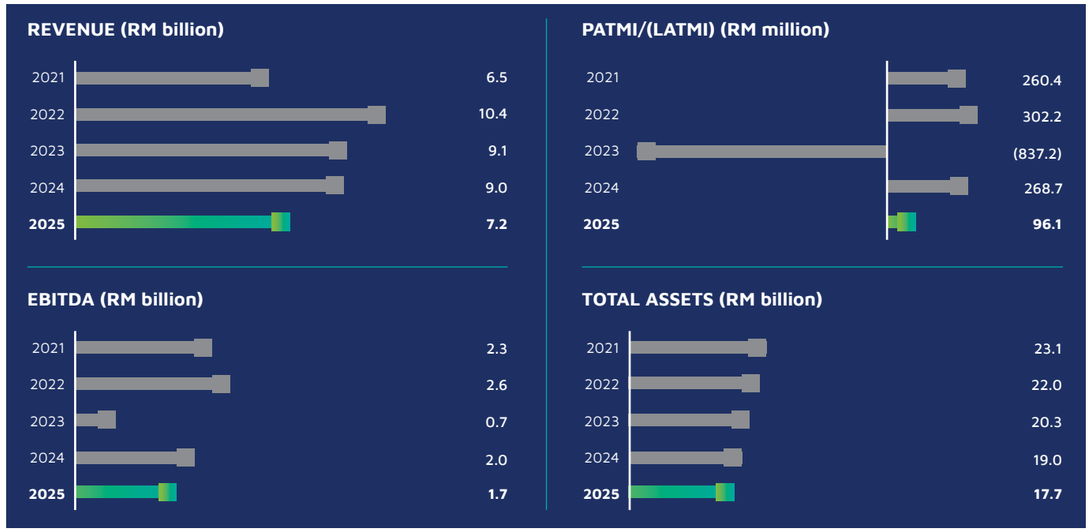
FINANCIAL REVIEW

5-YEAR FINANCIAL HIGHLIGHTS

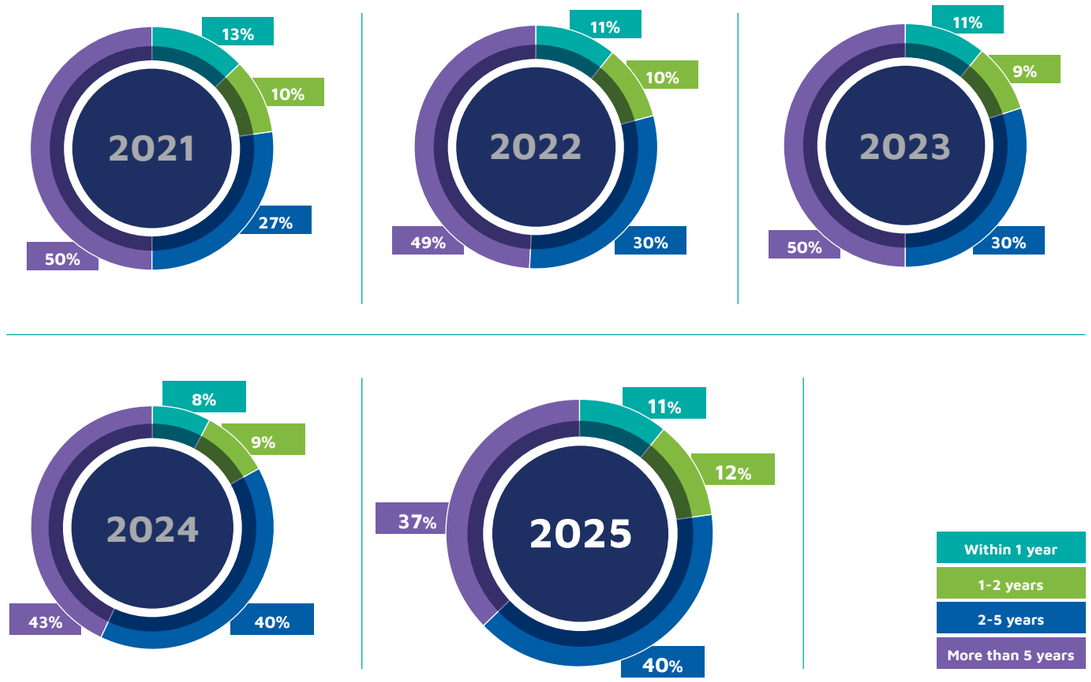
FINANCIAL STATISTICS

	Group				
	2025 RM'000	**2024 RM'000**	**2023 RM'000**	**2022 RM'000**	**2021 RM'000**
KEY OPERATING RESULTS					
Revenue	**7,209,335**	8,969,567	9,066,954	10,355,150	6,463,084
Results from Operating Activities	**483,072**	784,179	(97,285)	982,973	848,012
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**1,722,926**	1,973,588	664,079	2,561,353	2,315,282
Profit/(Loss) Before Tax (PBT/(LBT))	**175,730**	458,339	(954,917)	736,771	469,567
Net Profit/(Loss) Attributable to Equity Holders of the Company (PATMI/(LATMI))	**96,060**	268,686	(837,160)	302,225	260,416
KEY BALANCE SHEET ITEMS					
Property, Plant and Equipment	**9,991,872**	10,136,491	10,454,238	10,956,764	11,555,382
Cash and Cash Equivalents	**1,452,406**	1,375,368	2,571,016	1,539,630	1,568,819
Other Investments (Deposit Placements with More Than 3 Months Maturity)	**593,848**	831,192	485,596	692,740	2,617,093
Total Assets	**17,717,244**	19,012,687	20,300,650	21,983,829	23,082,674
Total Borrowings	**7,343,577**	7,768,174	8,805,079	8,743,408	9,845,768
Total Liabilities	**12,327,256**	13,468,850	14,753,803	15,288,011	16,575,948
Share Capital	**5,693,055**	5,693,055	5,693,055	5,693,055	5,693,055
Accumulated Losses	**(1,546,642)**	(1,404,914)	(1,438,891)	(358,471)	(399,172)
Shareholders' Equity	**4,339,745**	4,505,548	4,489,745	5,561,073	5,395,038
SHARES INFORMATION					
Basic/Diluted Earnings/(Loss) per Share (sen)[1]	**0.84**	4.44	(18.10)	5.22	4.36
Dividend (sen)	**2.36**[2]	4.40	3.00	5.25	5.10
Net Assets per Share (RM)[3]	**0.89**	0.92	0.92	1.14	1.10
FINANCIAL RATIOS					
Return on Assets (%)	**0.54**	1.41	(4.12)	1.37	1.13
Return on Equity (%)	**2.21**	5.96	(18.65)	5.43	4.83
EBITDA Margin (%)	**23.90**	22.00	7.32	24.74	35.82
Gearing (x)	**1.36**	1.40	1.59	1.31	1.51
Net Gearing (x)	**0.98**	1.00	1.04	0.97	0.87

1 The calculation of basic/diluted earnings/(loss) per ordinary share is based on the profit/(loss) attributable to equity holders after distribution on perpetual sukuk and a weighted average number of ordinary shares outstanding.
2 Based on interim dividend paid of 1.50 sen and a final dividend of 0.86 sen in respect of Financial Year Ended 31 December 2025.
3 Based on number of ordinary shares of 4,886,961,300 in issue.

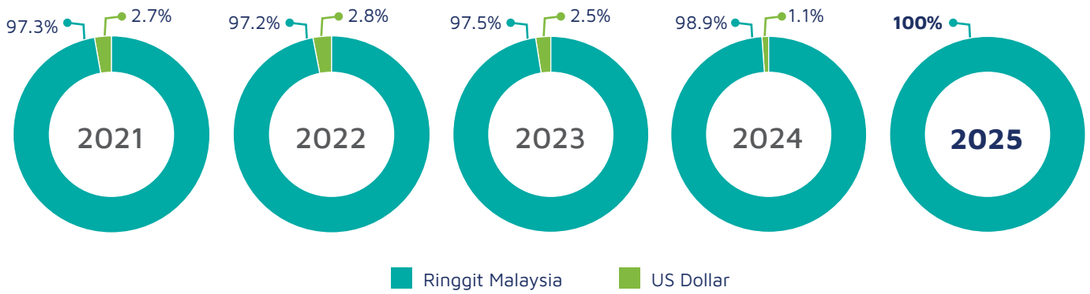


DEBT MATURITY (%)

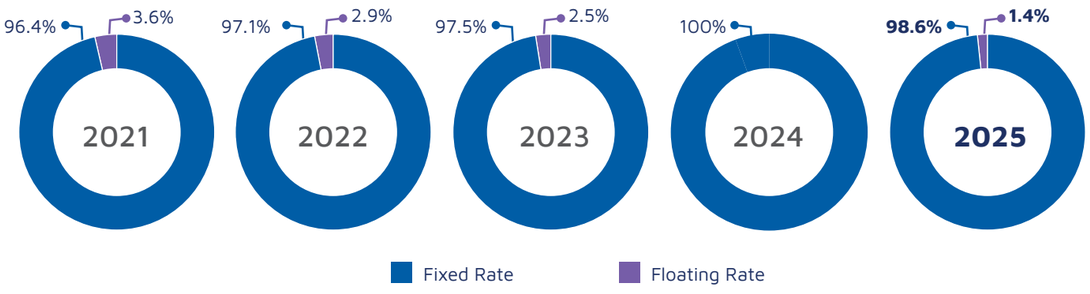


5-YEAR FINANCIAL HIGHLIGHTS

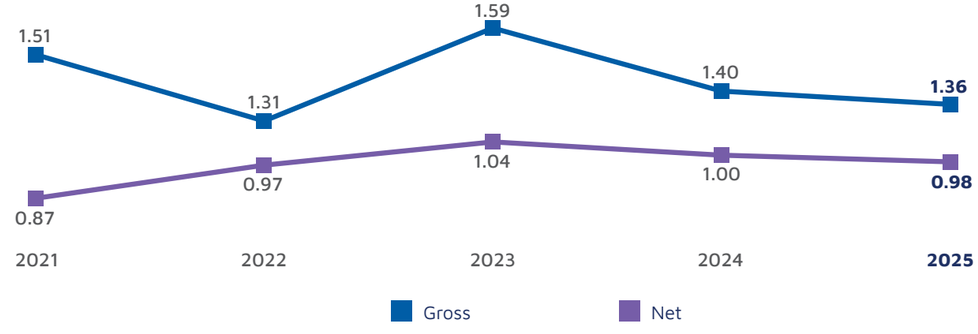
DEBT PROFILE BY CURRENCY (%)



DEBT PROFILE BY INTEREST RATE TERMS (%)



GEARING RATIO (X)



GROUP QUARTERLY FINANCIAL PERFORMANCE

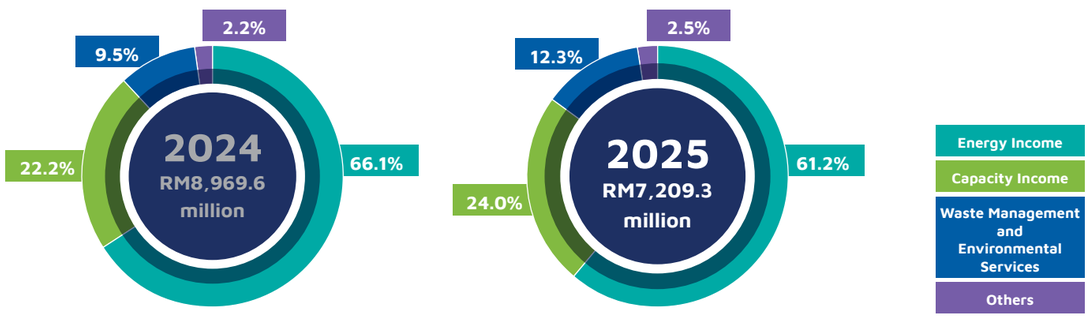
	FY2025				
	Q1	Q2	Q3	Q4	Year
Revenue	**2,027,884**	**2,019,765**	**1,690,522**	**1,471,164**	**7,209,335**
Results from Operating Activities	**139,153**	**159,654**	**135,697**	**48,568**	**483,072**
Profit/(Loss) Before Tax (PBT/(LBT))	**58,454**	**84,988**	**47,661**	**(15,373)**	**175,730**
Net Profit/(Loss) Attributable to Equity Holders of the Company (PATMI/(LATMI))	**33,991**	**62,827**	**28,210**	**(28,968)**	**96,060**
Basic/Diluted Earnings/(Loss) per Share (sen)	**0.13**	**1.29**	**0.01**	**(0.59)**	**0.84**
Dividend per Share (sen)	**-**	**1.50**	**-**	**0.86***	**2.36**

* Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 0.86 sen per ordinary share on 4,886,961,300 ordinary shares in issue for the Financial Year Ended 31 December 2025.

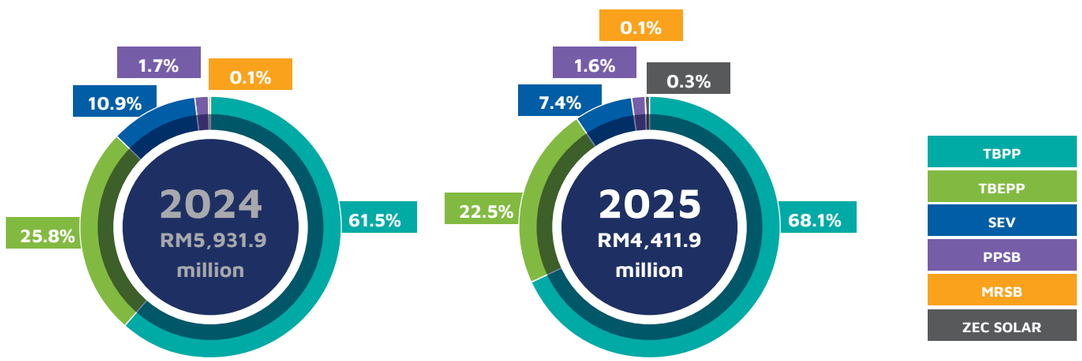
	FY2024				
	Q1	Q2	Q3	Q4	Year
Revenue	2,280,113	2,307,786	2,219,156	2,162,512	8,969,567
Results from Operating Activities	209,474	232,310	215,041	127,354	784,179
Profit Before Tax (PBT)	119,778	139,493	144,165	54,903	458,339
Net Profit Attributable to Equity Holders of the Company (PATMI)	62,200	93,575	86,880	26,031	268,686
Basic/Diluted Earnings/(Loss) per Share (sen)	0.79	1.92	1.20	0.53	4.44
Dividend per Share (sen)	-	2.23	-	2.17	4.40

REVENUE MIX

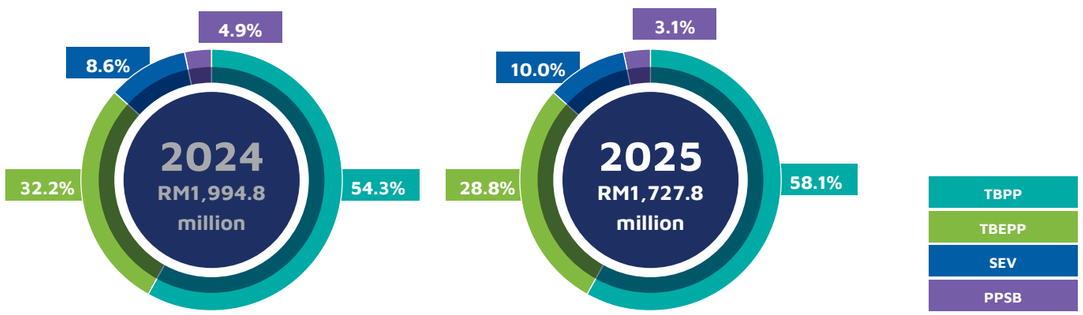
TOTAL REVENUE (%)



ENERGY INCOME (%)



CAPACITY INCOME (%)

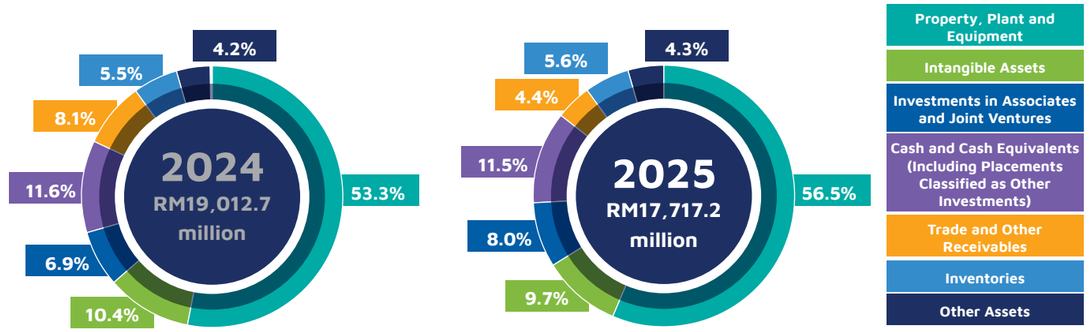


Notes:

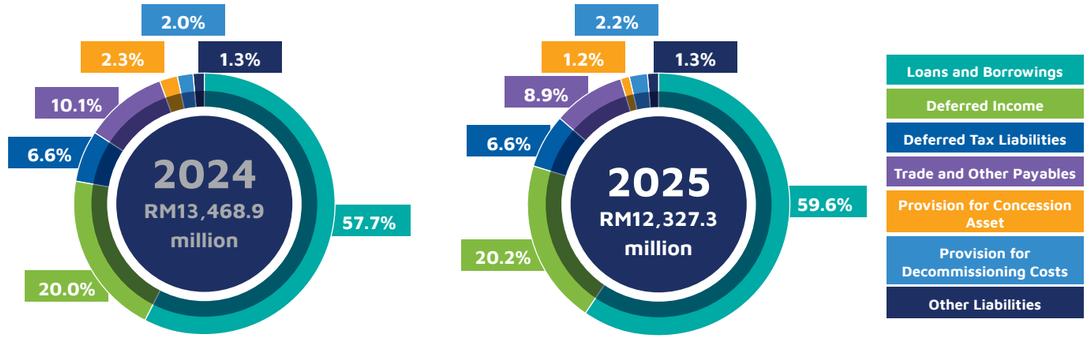
TBPP Tanjung Bin Power Plant, Johor
TBEPP Tanjung Bin Energy Power Plant, Johor
MRSB Malakoff Radiance Sdn. Bhd.
SEV SEV Power Plant in Segari, Perak
PPSB Prai Power Plant, Penang

SIMPLIFIED GROUP STATEMENTS OF FINANCIAL POSITION

TOTAL ASSETS (%)



TOTAL LIABILITIES (%)



INVESTOR RELATIONS

FINANCIAL CALENDAR

21 February 2025
Announcement of unaudited consolidated financial result for fourth quarter and Financial Year Ended 31 December 2024 (FY2024)

27 March 2025
Notice of 19th Annual General Meeting (AGM) of Malakoff Corporation Berhad

29 April 2025
19th AGM

Notice of book closure for final dividend of 2.17 sen per ordinary share for FY2024 was on 27 March 2025

27 May 2025
Announcement of unaudited consolidated financial result for first quarter FY2025

27 August 2025
Announcement of unaudited consolidated financial result for second quarter FY2025

Notice of book closure for interim dividend of 1.50 sen per ordinary share for FY2025 was on even date

27 November 2025
Announcement of unaudited consolidated financial result for third quarter FY2025

25 February 2026
Announcement of unaudited consolidated financial result for fourth quarter and FY2025

MALAKOFF'S APPROACH

Malakoff remains steadfast in terms of its values, shaped by the needs and expectations of our stakeholders. We are committed to clear, transparent and consistent engagement, ensuring timely and equitable access to accurate and comprehensive information on the Group's operations, financial performance, sustainability initiatives, key developments, strategic direction and future priorities.

Our Investor Relations (IR) strategy is anchored on integrity, transparency and disciplined engagement, with the objective of strengthening investor confidence and enhancing the Group's long-term investability. It focuses on clear articulation of Malakoff's investment proposition, underpinned by operational resilience, prudent capital stewardship and a portfolio evolution towards cleaner energy and environmental solutions. Through consistent messaging, the IR function seeks to provide the investment community with meaningful insight into the Group's operational performance, financial position, risk profile, sustainability agenda and strategic direction, enabling well-informed investment decisions.

Engagement with the investment community is conducted through a structured and predictable cadence, including quarterly results announcements and analyst briefings thereafter, investor meetings, site visits to the Group's assets, conferences and the AGM. These platforms facilitate open, two-way dialogue, allowing Management to communicate progress and priorities while gaining feedback on investor expectations and market sentiment.

Recognising the growing importance of sustainability and climate-related considerations in capital allocation and valuation, Malakoff's IR strategy places increasing emphasis on transition readiness and regulatory alignment, including enhanced disclosures on sustainability initiatives, climate risks and mitigation pathways.

This approach supports the Group's commitment to long-term resilience while aligning with evolving disclosure standards and investor expectation.

The Corporate Planning team (formerly known as Sustainability, Research and Investor Relations) plays a central role in this effort, serving as a strategic bridge between Malakoff and the investment community. Working closely with the GCEO, as well as the Chief Financial Officer, the team ensures that investor communications reflect both financial discipline and strategic clarity.

ENGAGEMENTS IN 2025

Throughout 2025, Malakoff maintained an active programme of investor engagements. Starting with the CGS International 17th Annual Corporate Day in January, the Group engaged a broad spectrum of institutional shareholders through conferences, investor meetings and site visits. These engagements continued over the course of the year and concluded with a special briefing to the investment community bringing together approximately 52 participants on updates of events involving the Group's assets in Tanjung Bin, Johor on 16 December 2025.

In response to investor concerns, Malakoff took proactive steps to reinforce its growth and resilience by clearly articulating the expansion of its RE portfolio alongside the evaluation of new gas plant opportunities. Against a backdrop of ongoing fuel margin pressures and capacity availability considerations, the Group maintained close oversight of coal inventories and plant performance, while sustaining regular engagements with key stakeholders to mitigate potential impacts.

The incidents at the Tanjung Bin Complex in the fourth quarter of 2025 were communicated transparently to the investment community through targeted meetings and online briefings, ensuring clarity, accuracy and consistency in information dissemination.

Investor engagement around sustainability initiatives were also further enhanced, reflecting a clear progress of the Group's ESG roadmap and net-zero milestones. Malakoff also reinforced investor confidence through a dividend policy, maintaining a payout ratio of at least 70% of PATMI.

19th Annual General Meeting
- 29 April 2025
- 684 shareholders and proxies
- Glenmarie Golf and Country Club, Shah Alam

Analyst Briefings

Fourth Quarter 2024
- 21 February 2025
- 36 participants
- Malakoff's Office, Level 7, Block 4, Plaza Sentral

First Quarter 2025
- 27 May 2025
- 23 participants
- Virtual

Second Quarter 2025
- 27 August 2025
- 35 participants
- Virtual

Third Quarter 2025
- 27 November 2025
- 33 participants
- Virtual

Special Briefing 2025
- 16 December 2025
- 52 participants
- Virtual

Management Meetings (Groups and one-on-one)
- Throughout 2025
- 20 engagements
- Physical and Virtual

Investor Conference
- Throughout 2025
- 6 conferences
- Kuala Lumpur

Site Visit
- Arranged a visit to Tanjung Bin Complex, Johor hosting 13 participants from various institutions

Malakoff had 32 engagements and sessions with close to 200 analysts (both sell-side and buy-side), shareholders, fund managers and potential investors in 2025.

OTHER COMMUNICATION CHANNEL

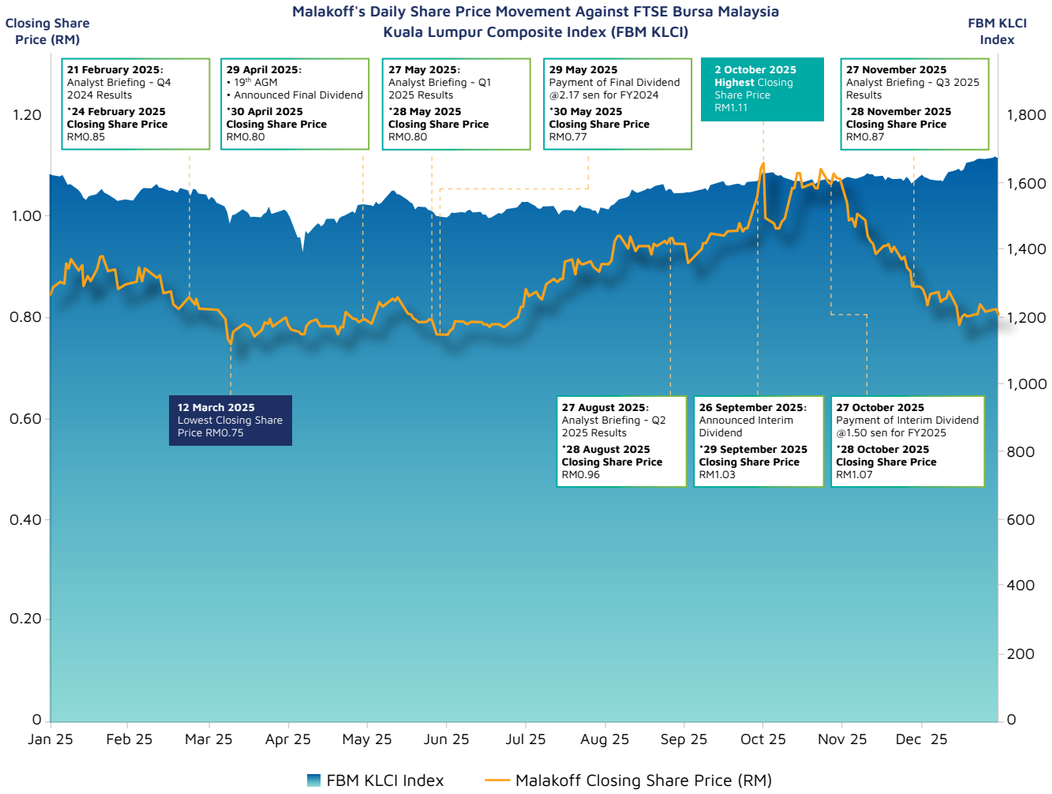
Website:
www.malakoff.com.my

Email:
ir@malakoff.com.my

Social Media:
Linked in - malakoff corporation berhad

Instagram | facebook | TikTok: @malakoffcorp

SHARE PRICE PERFORMANCE OVERVIEW



** Closing share price on a working day after the analyst briefing, as the briefing took place after trading hours*

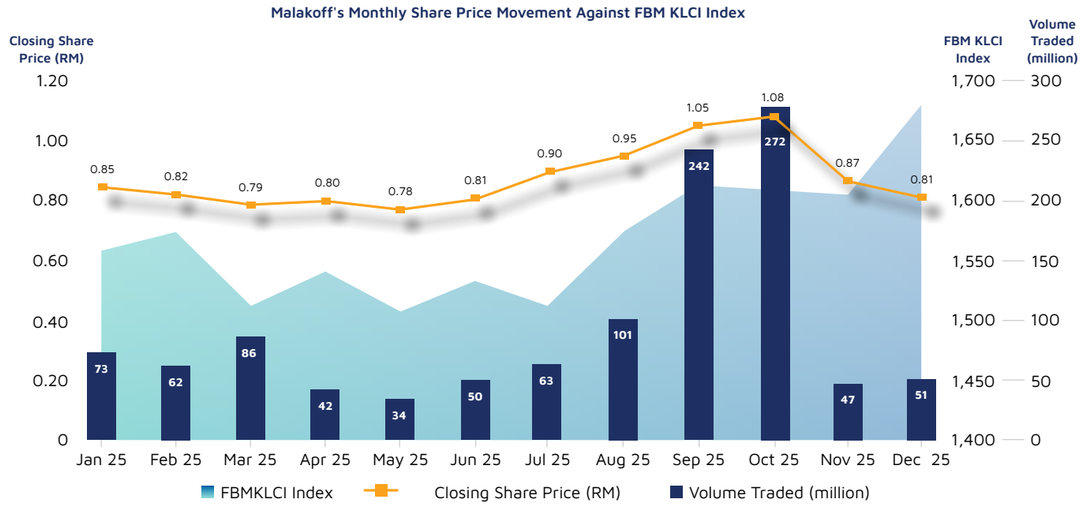
Sector conditions for utilities and energy were supported by periods of defensive investor interest, with sector indices outperforming the broader market in certain months. Malakoff's share price in 2025 demonstrated a mix of stability and volatility, trading within a 52-week range of RM0.75 to the year's highest of RM1.11.

Malakoff's share price opened at RM0.85 at the beginning of the year and generally traded within a narrow range as investors assessed earnings visibility, fuel margin pressures and progress on new project awards.

Sentiment improved towards the latter part of the year, with the share price breaching the RM1.00 level in late September 2025, supported by increased market confidence following the award of several growth initiatives, including the Group's participation in the LSS PETRA 5+ programme in Perak and the prospect of securing new thermal power plant opportunities.

After peaking at RM1.11 on 2 October, the Group's share price moderated amid market sensitivity to an incident involving TBEPP's FGD system, which was promptly stabilised with appropriate remedial actions taken. Share price performance subsequently softened as the market reassessed company-specific developments involving the Group's Tanjung Bin assets in December 2025, as well as the Group's third quarter 2025 financial performance.

This resulted in subdued share price performance relative to the broader FTSE Bursa Malaysia KLCI towards late November and December. The share price closed at RM0.81 on 31 December 2025.

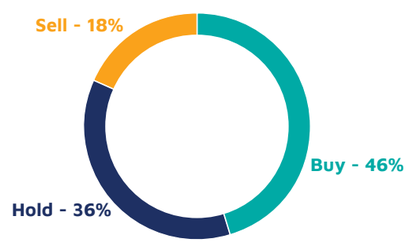


RESEARCH COVERAGE

Malakoff is actively covered by 11 research houses as of 31 December 2025.

SUMMARY OF ANALYSTS' REPORTS

As of 25 February 2026



ANALYST COVERAGE

- Affin Hwang Investment Bank Berhad
- AmInvestment Bank Berhad
- BIMB Securities Sdn. Bhd.
- CGS International Securities Malaysia Sdn. Bhd.
- Kenanga Investment Bank Berhad
- Maybank Investment Bank Berhad
- TA Securities Holdings Berhad
- UOB Kay Hian Securities (M) Sdn. Bhd.
- Public Investment Bank Berhad
- RHB Investment Bank Berhad
- Apex Securities Berhad
- CIMB Investment Bank Berhad (not active)

The recommendations above were based on analysts' reports on Malakoff's financial year result ended 31 December 2025. The results were released on 25 February 2026.

CIMB Investment Bank Berhad has re-established contact with Malakoff to resume engagement initiatives, with the objective of re-initiating research coverage on the Group.

APPROACH REITERATED

We seek to build trust, maintain credibility and reinforce the Group's standing as a disciplined, responsible and forward-looking Energy and Environmental solutions provider, supporting sustainable value creation for shareholders over the long term.

BUSINESS REVIEW

OVERVIEW

The Business Review outlines how Malakoff translated strategy into operational delivery in 2025 across its Energy and Environmental Solutions segments. During a year shaped by evolving transition dynamics, the Group navigated operating realities with a firm focus on reliability, cost discipline and delivery capacity. These conditions underscored the importance of managing assets with greater precision, maintaining robust cost and risk controls, and pacing development in line with regulatory, market and implementation constraints.

Operating decisions were grounded in pragmatic execution considerations and a clear risk-tolerance framework, ensuring that day-to-day actions remained feasible while improving long-term asset condition, cost exposure and meeting compliance requirements. This measured approach ensured initiatives were sequenced to support the Group's longer-term strategic trajectory while delivering steady operational outcomes amid a challenging operating landscape.

The **Energy** business sustained dependable generation under long-term PPAs while progressing a RE pipeline aligned with Malaysia's broader energy transition agenda. National policy frameworks such as the Malaysia Renewable Energy Roadmap (MyRER) provide useful direction on the country's long-term RE ambitions, supporting the development of solar and small hydropower projects while maintaining system affordability and grid stability.

As Malaysia increases the share of solar and hydro in its generation mix, grid conditions and integration requirements continue to influence project timelines, particularly for large scale solar (LSS). Higher solar penetration requires closer coordination with grid studies, connection approvals and system readiness to ensure projects are brought online in a stable and orderly manner.

These operational realities require Malakoff to systematically balance RE growth with the reliability provided by its thermal assets. As a result, development strategies within the Energy business remained grounded in what could be executed reliably under prevailing technical, commercial and system constraints, ensuring the Group contributes to national transition goals while maintaining dependable generation in its portfolio.

Environmental Solutions, led by Alam Flora, continued to expand its strategic importance within the Group's portfolio. Concession and non-concession waste management operations provided steady, recurring contributions, while measured progress on the WTE plant supported the Group's medium-term strategic objectives. The segment's performance reflected the distinct nature of its activities. Established waste management operations demanded consistent service delivery and prudent cost management, whereas development-stage initiatives, particularly the WTE plant, required longer lead times and navigation of regulatory and technical requirements. This divergence shaped how Management focused on resource allocation, operational stability while advancing future-focused capabilities at a deliberate, practicable pace.

Malaysia's policy direction under the 13th Malaysia Plan (13MP) places a stronger push on WTE as a national priority, promoting these facilities as a means to reduce landfill reliance and support cleaner energy generation. This policy shift directly reinforces the Group's strategic direction, as WTE is already a core component of its medium-term growth agenda. The Group stands to benefit from the Government's drive to expand WTE infrastructure through private-sector participation due to its established track record of developing and operating RE and WTE assets, reaffirming Malakoff's role as a key contributor to achieve Malaysia's low-carbon and circular economy objectives.

STRENGTHENING FOUNDATIONS FOR STEADY PROGRESS

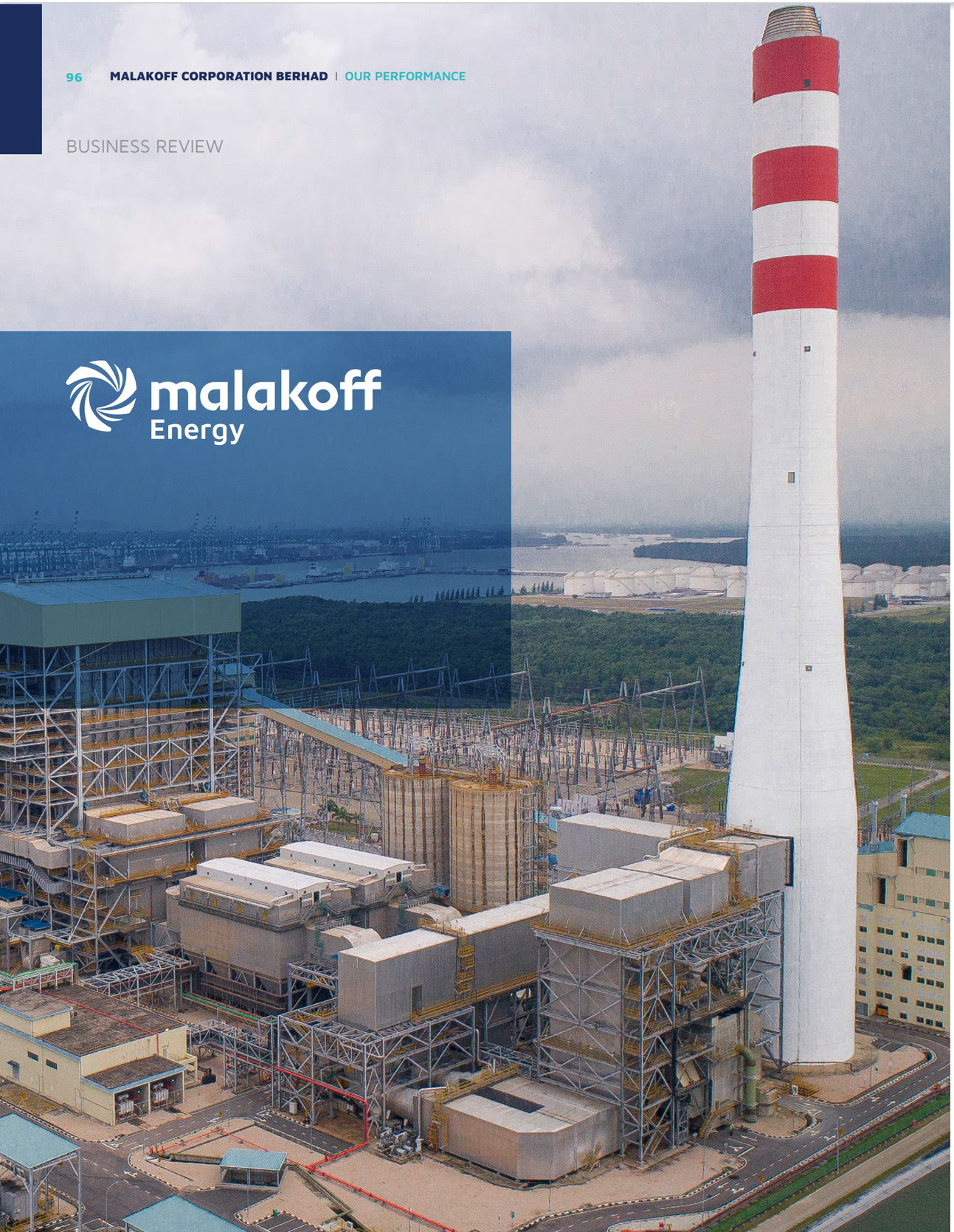
The differing characteristics of the Group's activities shaped how resources and attention were deployed throughout the reporting period. Execution centred on scale, integration and operational continuity, with progress calibrated carefully to avoid advancing ahead of regulatory or financial clarity. Capital was allocated in a deliberate, sequenced manner, supported by firm cost controls and embedded risk management practices that influenced operational planning and decision-making. Operations and Maintenance (O&M) and Project Management Services continued to serve as core execution engines of the business, directly driving project delivery and safeguarding performance standards across the business.

Overall, 2025 was a year of consolidation rather than transformation, with the Group solidifying its operational foundations, advanced priority initiatives and maintained the flexibility needed to respond to shifts in market, policy and regulatory conditions.



Tanjung Bin Complex, situated on a 65-hectare site in Kukup, Johor, houses one of the largest IPP coal-fired stations in Southeast Asia.

BUSINESS REVIEW



BUSINESS REVIEW: ENERGY

OPERATING CONDITIONS

In FY2025, operations were managed under firm regulatory expectations, persistent input cost pressure and a generally supportive demand backdrop. Operating choices reflected the Group's risk appetite, with decisions guided by what would be executed reliably under prevailing legal, commercial and technical constraints.

The Group's thermal plants continued to provide dependable capacity under established contracts, with operating plans shaped by fuel market variability and individual asset condition. Maintenance schedulings, outage coordination and parts availability were prioritised to maintain reliability and support operational and financial performance.

RE progressed in accordance with external approvals and grid connection requirements. Resources were therefore directed towards ensuring project readiness, including navigating approval processes, conducting grid studies and advancing engineering preparation to support orderly and compliant project progression.

Thermal and RE assets fulfilled complementary functions, with thermal generation providing baseload reliability and earnings, while RE contributed measured diversification aligned with the Group's transition trajectory. The Group maintained a firm focus on cost efficiency, supported by tighter O&M practices, more deliberate procurement decisions and embedded risk oversight in operational planning. Collectively, these decisions shaped an intentional period of consolidation that maintained operational resilience and preserved strategic flexibility as market, policy and regulatory conditions continued to evolve.



Malakoff steadies the grid with essential thermal assets while driving renewables forward, managing energy transition risk with a balanced, future-ready approach.

LINK TO THE EXTERNAL ENVIRONMENT

- **Regulatory and Policy Context: Managing a Tightening Framework**
  Malakoff's planning, maintenance and project sequencing continued to align with evolving approval requirements, grid access protocols and compliance expectations. Plans to introduce carbon pricing in 2026 by the Ministry of Finance, marks a structural shift in the policy landscape, reframing emissions from a voluntary consideration to a cost and regulatory obligation that now materially shapes investment, dispatch and asset strategy. Targeted sectors are iron, steel and power producers, which are the largest contributors to the country's carbon footprint. At the same time, early-stage policy discussions on nuclear power beyond 2030 signal a potential future pathway for low-carbon baseload power, though no deployment decision has yet been made.

- **Energy System Structure: Balancing Reliability with Transition**
  Malaysia's power mix remains anchored by fossil fuels, with gas and coal still forming the core of electricity supply, even as coal's role gradually recedes. Within this structure, gas continues to function as the transition fuel, providing the flexibility, reliability and grid stability needed as the intermittency of RE expand. Malakoff's portfolio positioning reflects this reality by sustaining dependable thermal generation while progressively integrating more renewable capacity within existing system constraints.

- **Market and Demand Dynamics: Rising Load, New Drivers**
  Electricity demand is on an upward trajectory, underpinned by data centre growth, industrial expansion and broader digitalisation of the economy. This has reinforced the importance of secure fuel supply, efficient O&M management and rigorous procurement practices. Operating choices increasingly factor in fuel price volatility, contractor's performance and supply reliability to protect margins while meeting contracted offtake commitments.

- **Technology and Infrastructure Shift: Enabling Higher Renewables**
  The power system is moving towards greater grid modernisation, digital management and the deployment of energy storage systems to accommodate higher renewable penetration and rising peak demand. LSS and rooftop solar installations continue to expand rapidly, supported by national programmes such as LSS tenders and Net Energy Metering (NEM), which enables consumers to generate their own solar energy and export excess electricity to the grid under regulated compensation mechanisms.

  Together with corporate PPAs, these mechanisms are accelerating distributed solar adoption among industrial, commercial and institutional users. Malakoff is adapting to this environment by ensuring its assets remain compatible with a more flexible, decarbonising grid by improving technical readiness, expanding support for NEM-enabled rooftop portfolios and maintaining system stability as renewable penetration increases.

- **Social Licence to Operate: Continuity, Safety and Stakeholder Trust**
  Reliable service delivery and operational safety are key drivers of Malakoff's social performance, particularly for communities and industries reliant on stable grid supply. As the energy transition accelerates, maintaining dependable baseload capacity alongside growing renewable generation has been essential in maintaining stakeholder's confidence, investor credibility and contractual commitments.

- **Environmental Positioning: Managing Transition Risk**
  Malakoff's portfolio decisions continued to moderate transition risk by keeping essential thermal assets available for grid stability while advancing renewable investments, where permitting, land access and infrastructure allow. This dual-track approach balances near-term system reliability with longer-term decarbonisation objectives in a practical, commercially grounded manner.



Malakoff continues to stand tall as a leading IPP in Malaysia, powering the nation with reliable energy solutions while advancing sustainability and innovation.

THERMAL POWER GENERATION

KEY FOCUS AREAS

Strategic Planning	Cost Optimisation	Risk Management
Failure Prevention	Continuous Process Improvements	Collaboration on New Technologies

The Group's thermal generation portfolio continued to serve as a fundamental anchor of the Energy business in 2025, providing the reliability and stability needed to support operational and financial performance. Local power plants with a combined generating capacity of 6,953 MW, supply electricity to Tenaga Nasional Berhad (TNB) through long-term PPAs, forming the backbone of the Group's contracted baseload generation. These assets operated within well defined regulatory and commercial arrangements, contributing dependable output while managing ongoing optimisation and transition readiness initiatives. Complementing the domestic portfolio, the Group's international interests, including the Shuaibah Phase 3 Independent Water and Power Plant (IWPP) in Saudi Arabia and the Al-Hidd IWPP in Bahrain, delivered steady contributions under established concession arrangements, reinforcing the diversity and resilience of overall thermal operations.

SUMMARY OF THERMAL GENERATION POWER PLANTS



Tanjung Bin Power Plant (TBPP)

Johor	Coal	Coal
2031	2,100 MW	90%
1,890 MW		



Segari Power Plant (SEV)

Perak	CCGT	Gas
2027*	1,303 MW	93.75%
1,222 MW		

* SEV has received the notification for an extension to 31 December 2029. Pending execution of the PPA extension.



Tanjung Bin Energy Power Plant (TBEPP)

Johor	Coal	Coal
2041	1,000 MW	100%
1,000 MW		



Kapar Power Plant (KEV)

Selangor	Multi-Fuel	Gas, Coal & Oil
2029	2,200 MW	
40%	880 MW	

* KEV is owned and operated by Kapar Energy Ventures Sdn. Bhd., a joint venture between Malakoff (40%) and TNB (60%).



Prai Power Plant (Prai)

Penang	CCGT	Gas
2030	350 MW	100%
350 MW		



Total Local Power Generation Capacity

6,953 MW | 5,342 MW



Shuaibah Phase 3 IWPP

Saudi Arabia	Fuel	Light Crude Oil
2030	900 MW	
24%	216 MW	



Al-Hidd IWPP

Bahrain	OCGT/CCGT	Natural Gas
2028	929 MW	40%
372 MW		



Total International Power Generation Capacity

1,829 MW | 588 MW

Total Combined Power Generation Capacity (MW)

8,782 MW | ***5,930 MW**

* Total capacity based on Malakoff's equity holding in the assets

Legend

Location | Fuel Type | Generating Capacity (MW) | Effective Capacity (MW) | Plant Type

PPA Expiry | Effective Equity Participation | CCGT: Combined-Cycle Gas Turbine | OCGT: Open-Cycle Gas Turbine

BUSINESS REVIEW: THERMAL

Tanjung Bin Power Plant (Tanjung Bin Power Sdn. Bhd.)

- Located in Johor, the Tanjung Bin Power Plant (TBPP) is the Group's long-established coal-fired generation asset and is notable for being Malaysia's first private coal-fired power plant and one of the largest private coal-fired Independent Power Producers (IPP) in Southeast Asia. It remains a material contributor within the thermal portfolio and operates within the prevailing contractual and regulatory framework for IPPs.

Tanjung Bin Energy Power Plant (Tanjung Bin Energy Sdn. Bhd.)

- Located in Johor, the Tanjung Bin Energy Power Plant (TBEPP) is an ultra-supercritical coal-fired facility. It forms part of the Group's core thermal base and supports the Energy portfolio's scale and operating profile.

Segari Power Plant (Segari Energy Ventures Sdn. Bhd.)

- Located in Perak, the Segari Power Plant (SEV) is a gas-fired CCGT facility. It contributes to the thermal portfolio's capacity and provides a key base for contracted generation within the Energy business.

Kapar Power Plant (Kapar Energy Ventures Sdn. Bhd.)

- Located in Kapar, Selangor, the Kapar Power Plant (KEV) is the second-largest thermal power plant in Malaysia. Kapar Energy Ventures Sdn. Bhd., a 60:40 joint venture between TNB and Malakoff operates the multi-fuel plant capable of running on gas, oil and coal. Its fuel flexibility strengthens portfolio resilience within the applicable contractual and regulatory framework.

Prai Power Plant (Prai Power Sdn. Bhd.)

- Located in Penang, the Prai Power Plant (PPP) is a gas-fired CCGT facility that supports the Group's contracted generation obligations and complements the wider thermal portfolio. It is one of the most efficient gas-fuelled power plants in Malaysia.

OPERATIONAL RESULTS

	Capacity Factor (CF) %					Availability Factor (AF) %				
Plant	**2021**	**2022**	**2023**	**2024**	**2025**	**2021**	**2022**	**2023**	**2024**	**2025**
TBPP	72.19	67.29	70.61	75.87	**77.16**	93.92	86.69	88.31	86.07	**93.70**
TBEPP	66.20	62.74	73.76	84.80	**65.12**	90.41	84.93	80.54	93.44	**90.41**
SEV	2.23	1.82	4.59	20.65	**7.52**	94.82	94.37	97.81	92.83	**94.45**
GB3	6.49	4.73	-	-	**-**	94.46	96.16	-	-	**-**
PPP	12.43	17.21	18.36	33.03	**11.47**	92.73	95.33	93.60	95.16	**94.65**
KEV	34.08	42.13	42.25	57.17	**58.18**	78.85	86.68	83.27	92.08	**93.68**
Shuaibah IWPP	88.00	93.00	94.20	91.94	***56.80**	88.00	92.00	93.70	91.34	***96.63**
Al-Hidd IWPP	72.00	70.00	59.40	62.25	**61.26**	93.00	94.00	86.70	98.10	**95.33**

Electricity Sold and Generated

	Gross Energy Generated (GWh)					Net Energy Sold (GWh)				
Plant	**2021**	**2022**	**2023**	**2024**	**2025**	**2021**	**2022**	**2023**	**2024**	**2025**
TBPP	14,104	13,118	13,693	14,699	**14,928**	13,279	12,424	12,990	13,995	**14,194**
TBEPP	6,117	5,486	6,766	7,829	**6,009**	5,800	5,192	6,462	7,449	**5,705**
SEV	263	217	535	2,457	**882**	257	211	524	2,363	**861**
GB3	376	277	-	-	**-**	364	268	-	-	**-**
PPP	390	537	576	818	**240**	381	525	563	799	**234**
KEV	6,609	8,395	8,248	11,171	**11,502**	6,150	7,659	7,676	10,434	**10,718**
Shuaibah IWPP	6,925	7,315	7,425	7,248	***1,795**	6,925	7,315	7,425	7,248	***1,795**
Al-Hidd IWPP	5,850	5,708	4,832	5,079	**4,985**	5,850	5,708	4,832	5,079	**4,985**
TOTAL (GWh)	40,634	41,053	42,075	49,301	**40,341**	39,006	39,302	40,472	47,367	**38,492**

** As of 31 May 2025 as Shuaibah IWPP has been formally decommissioned in May 2025, please refer to the International Operations Business Review on pages 123 to 126 for further information.*

BUSINESS REVIEW: RENEWABLE ENERGY

RENEWABLE ENERGY (RE)

KEY FOCUS AREAS

- Large Scale Solar (LSS)
- Renewable Energy Certificates (RECs)
- Battery Energy Storage System (BESS)
- Biomass
- Small Hydropower (SHP)
- Commercial & Industrial (C&I) Solar
- Carbon-Free Mobility Infrastructure

Malakoff is scaling its renewable portfolio, aligning with the Malaysia's National Energy Transition Roadmap (NETR), which charts the pathway to net-zero emissions by 2050. The Group's development activities also reflect MyRER, the sector-specific plan that defines technology pillars and RE capacity milestones through 2035. Malakoff's RE growth is driven by a mix of LSS projects, rooftop solar installations and three run-of-river small hydropower plants in Kelantan, each at varying stages of development and operations. Complementing these initiatives, Malakoff Radiance Sdn. Bhd. focuses on both Commercial and Industrial (C&I) solar markets.



LSS

- Kota Tinggi, Johor
- Bintulu, Sarawak
- Larut and Matang, Perak

Solar Photovoltaic | 599 MW

- LSS 2 in Kota Tinggi, Johor is operational.
- LSS project in Bintulu, Sarawak is in planning and development stage.
- LSS PETRA 5+ development in Larut and Matang, Perak remain at early-stage planning and development.



Small Hydropower (SHP)

Sungai Galas, Kuala Krai, Kelantan

	Capacity:
• Kemubu SHP	29 MW
• Kuala Geris SHP	25 MW
• Serasa SHP	30 MW
TOTAL SHP	**84 MW**

Under development/in construction

Run-of-river SHP

Legend

Location | Technology | Project Status | Generating Capacity (MW)



C&I Rooftop Solar

Various Locations, Malaysia | Solar Photovoltaic | 61 MW

- Ongoing installations, project rollouts and new C&I customer onboarding.
- Total secured in 2025: 5 sites with 6 MW capacity
- Total installed in 2025: 13 sites with 7.4 MW capacity

LSS Portfolio

- The LSS portfolio comprises utility-scale solar photovoltaic projects developed under Malaysia's LSS programmes. Located across multiple sites and at various stages of development and operation, these projects support the Group's renewable energy portfolio while enabling participation in national solar initiatives.

Rooftop Solar Portfolio

- The rooftop solar portfolio comprises solar photovoltaic installations deployed primarily on C&I premises. These projects operate under long-term contractual arrangements with customers across multiple locations and contribute to the steady expansion of the Group's distributed solar footprint.

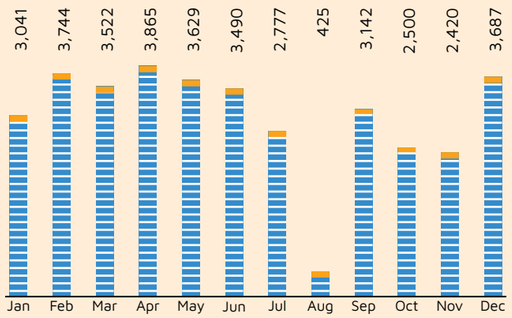
Small Hydropower

Malakoff's small hydropower projects in Kelantan are progressing steadily, with three run-of-river plants currently under development following financial close. Designed with minimal environmental impact, these projects support the Group's renewable growth strategy and are expected to contribute to emissions reduction once operational.

OPERATIONAL RESULTS

LSS

Solar Power Generation 2025 (MWh)



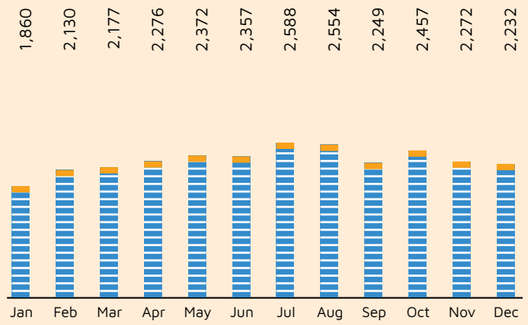
Year	Contract Year	Cumulative Generation Achieved MWh	Declared Annual Quantity (PPA), MWh	70% from Declared Annual Quantity (PPA), MWh
2025	7	36,242	47,614	33,330

For Contract Year 7 (2025), the ZEC Solar Plant recorded a cumulative generation of 36,242 MWh against its Declared Annual Quantity (DAQ) of 47,614 MWh, surpassing the minimum 70% threshold of 33,330 MWh required under its Solar Power Purchase Agreement (SPPA). This confirms that the plant met its contractual generation obligations for the year.

Through the acquisitions of ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. in January 2025, the Group expanded its renewable energy footprint with a fully contracted 29 MW large-scale solar asset in Kota Tinggi, Johor. The facility operates under Malaysia's national LSS programme and is backed by a 21-year SPPA extending to 2040, ensuring stable long-term revenue visibility as it supplies RE to the grid.

C&I SOLAR

Solar Power Generation 2025 (MWh)



Kedah 1,572	**Melaka** 369	**Selangor** 14,457
Pahang 4,959	**Perlis** 59	**Putrajaya** 68
Negeri Sembilan 353	**Johor** 3,275	**WP KL** 2,413

TOTAL 27,525

PERFORMANCE REVIEW

In FY2025, Malakoff's Energy business delivered generally steady and dependable operating outcomes, underpinned by consistent operational rigour across the portfolio, despite some challenges in the final quarter of 2025. We focused on meeting contractual obligations while carefully managing cost pressures, fuel dynamics and evolving regulatory requirements. Operational efficiency continued to be prioritised to optimise asset performance, improve maintenance procedures and lift day-to-day execution quality. These collective actions supported the Group's financial stability while ensuring the Energy segment continued to play its critical role in sustaining national reliability.

As the largest IPP in Malaysia, our thermal assets in Malaysia and overseas deliver a combined generating capacity of 8,782 MW. In November 2025, the Group received notification of its successful bids under the Energy Commission's (EC) Request for Proposal Category 1 for the Extension of Existing Facilities.

Following this, the EC approved the continuation of operations for all three major gas plants: Segari Energy Ventures (SEV, 1,303 MW) was granted an extension covering 1 July 2027 to 31 December 2029, GB3 (429 MW) received approval for the period 1 January 2027 to 31 December 2029, and the Prai Power Plant (PPP, 350 MW) was awarded an operational extension running from 1 April 2026 to 31 March 2030. This reflects the confidence placed in our capabilities by both stakeholders and the government.

New PPAs will be entered into with TNB for each plant, allowing Malakoff to generate the required capacity and deliver electricity throughout the extension period. These extensions enable operational continuity, greater revenue visibility and a stronger foundation for ongoing asset optimisation.

During the reporting period, the thermal fleet performance varied due to differences in plant age and operating history. Older units required more intensive outage planning, maintenance scheduling and resource deployment, while newer plants performed more consistently.

Fuel availability and price movements further influenced operating strategies, requiring close coordination between operations, maintenance and commercial teams to optimise utilisation, manage cost exposure and align maintenance timing with market exposure. Operational reliability was also preserved through systematic maintenance programmes, established asset management practices and more diligent oversight. Optimisation efforts continued at all thermal plants, emphasising heat rate improvement, equipment reliability and rigorous maintenance execution.



Reliability within our thermal plants were upheld through disciplined maintenance, strong asset management and enhanced technical and process controls that ensured smooth, stable daily operations.

Malakoff continues to engage with the stakeholders on the future plans for biomass co-firing in its generating asset to support the nation's aspiration towards net zero carbon emissions by 2050. In parallel, the Group continues benchmarking international co-firing practices, particularly from Japan and Europe, to determine scalability potential, equipment optimisation and long-term feasibility. Future progress will depend on sustainable biomass sourcing, appropriate funding structures and a viable mechanism for recovering fuel-related costs.

Renewable assets continued to perform in line with the current size and maturity of the portfolio. Operating projects delivered stable output, while development-stage initiatives, particularly in LSS and hydropower, progressed as planned, subject to regulatory approvals, grid connectivity and site-specific requirements. Execution quality and compliance remained a priority to ensure project readiness for subsequent development phases. We emphasised on execution quality and compliance, ensuring projects remained well positioned for subsequent phases of development. This methodical approach ensured that RE growth remained aligned with system constraints, contractual timelines and Malaysia's broader energy transition pathway.

In the Energy segment, we exercised consistent oversight of key risks and performance drivers, balancing reliability, cost management and regulatory compliance. Overall, 2025 outcomes were derived primarily from operational decisions, asset conditions and fuel dynamics, reinforcing the need for consistent, well-controlled execution across both thermal and renewable RE.

KEY INITIATIVES AND DEVELOPMENTS

For thermal assets, risk-based maintenance planning and asset integrity management were enhanced, with particular attention to ageing plants. The improved coordination between operations and maintenance functions enabled more effective outage planning, lowered operational variability and contributed to sustained plant availability. Better oversight of contractors, procurement and O&M expenditure supported tighter financial controls and ensured continued adherence to safety and performance standards.

Fuel management was actively integrated into operational decision-making. In response to evolving gas supply and pricing conditions, plant scheduling and maintenance planning were more closely aligned to fuel risk exposure, supported by stronger collaboration between commercial, operations and maintenance teams.

The RE sector, particularly solar energy, continued to play a pivotal role in advancing the national energy transition agenda and long-term sustainability objectives. Supported by clear policy direction, increasing environmental consciousness and rising demand for cleaner energy solutions, solar remained one of the most actively developed renewable technologies during the financial year.



The upcoming development of the 470 MW LSS PETRA 5+ project highlights our trusted expertise in RE delivery and our ability to execute long-tenure PPAs with reliability and operational rigour.

The Group's investments in RE infrastructure contributed substantially to broader socioeconomic development, stimulating supply-chain activity, catalysing job creation and spurring the growth of domestic industries. By expanding access to clean energy and reducing reliance on fossil fuels, Malaysia's shift towards a low-carbon economy were further accelerated. Through the continued development of clean energy solutions, the Group reinforced national energy security and laid the groundwork for sustained environmental and socioeconomic benefits, aligning operational execution with Malaysia's long-term sustainability ambitions.

Despite a challenging operating environment, the solar energy segment continued to demonstrate strong performance and adaptability. Ongoing innovation, prudent cost management and a supportive policy landscape are expected to further drive the sector's contribution to energy security, economic development and carbon reduction targets in the years ahead.

Cross-functional coordination between O&M and Project Management Services led to clearer lines of accountability, firmer risk oversight and consistent execution throughout the Energy business.

CHALLENGES AND MITIGATION

THERMAL

! Achieve On-Time Execution of All Scheduled Outages

Meeting outage timelines to safeguard plant availability, manage operational risks and prevent downstream impacts on reliability and contractual performance.

- Coordinated with the Grid System Operator and key stakeholders to optimise planned outages.
- Developed efficient schedules for outages
- Held daily meetings for quick issue resolution and escalation, as needed.

! Manage Manpower Turnover and Shortages Before PPA Extension

Balancing workforce stability, capability retention and resource planning to sustain operational effectiveness during periods of organisational transition.

- Facilitated internal staff reassignment and new recruitment.
- Implemented staff training and development initiatives.

! Handling High Cyclic Operations

Managing equipment stress, operational variability and maintenance demands associated with frequent cycling to ensure reliability and cost efficiency.

- Executed strategies to ensure successful startup of gas turbine and steam turbine.
- Distributed operating hours of gas turbines evenly to optimise maintenance costs.

! Challenges **Mitigating Actions**

KEY ACHIEVEMENTS

- Received notification of success under the EC Category 1 competitive bidding exercise in November 2025.
- The EC granted extensions for SEV (1 July 2027 to 31 December 2029), GB3 (1 January 2027 to 31 December 2029) and PPP (1 April 2026 to 31 March 2030).
- The PPA for PPP was duly executed during the first quarter of 2026 and subsequently, new PPAs will be entered into with TNB for SEV and GB3.
- Executed the enhanced borescope inspection with Original Equipment Manufacturer (OEM) for gas turbines and minor overhaul for generators to extend reliability of the machinery.
- Implemented Department of Occupational Safety and Health *Kaedah Pemeriksaan Secara Teknologi Termaju* methodology for inspection of Unfired Pressure Vessels, facilitating the successful renewal of Certificate of Fitness for the TBPP U10 and U30 units without requiring shutdown.
- Utilising the eSwis V2 system by the Department of Environment for TBPP fly ash offtake, becoming the first coal fired power plant in Malaysia using the newly implemented system.



Extensions across three of the Group's thermal gas plants signal a trusted operating cadence defined by reliability, efficiency and long-term continuity.

CHALLENGES AND MITIGATION

RENEWABLE ENERGY

Regulatory and Policy Adjustments

Changes in national energy policies and regulatory frameworks created uncertainty for project planning and investment decisions.

Strengthened Regulatory and Stakeholder Engagement

Proactive engagement with regulators and policy makers to ensure alignment with evolving requirements and facilitate smoother approvals.

Project Approval and Grid Connection Constraints

Lengthy approval processes and limited grid capacity slowed project progression and caused scheduling constraints.

Enhanced Project Planning and Risk Management

Earlier site assessments, detailed grid studies and structured risk management practices to improve readiness and execution certainty.

Supply Chain Volatility

Fluctuations in equipment availability.

Diversified and Strategic Procurement

Broader sourcing strategies, long-term supplier arrangements and closer collaboration with technology providers to reduce supply chain exposure.

Rising Capital and Financing Costs

Higher financing costs, inflationary pressures and tightening financial conditions.

Optimised Financial Structuring

Alternative financing mechanisms, disciplined capital planning and cost management strategies to mitigate rising costs.

Land and Permitting Constraints for Utility Scale Projects

Securing suitable land and navigating multi agency permitting requirements posed delays for large scale developments.

Improved Land and Permitting Strategies

Early stakeholder engagement, streamlined land identification and closer coordination with local authorities.

Intermittency and Grid Stability Considerations

The variable nature of solar generation, combined with higher Variable Renewable Energy (VRE) penetration, introduced operational and grid stability challenges.

Integration of Storage and Digital Technologies

Deployment of energy storage systems, digital monitoring tools and operational optimisation to enhance reliability and support grid stability.

KEY ACHIEVEMENTS

- Sustained growth in solar deployment, with strong uptake within commercial, industrial and institutional users driven by policy support, rising sustainability commitments and demand for cost optimised energy solutions.
- Successful deployment across multiple public and community spaces, expanding into the hospitality and logistics industries to drive the adoption of clean energy solutions.
- Growing demand for rooftop and on-site solar solutions continued to lower energy costs, mitigate tariff volatility and support emissions reduction efforts, aligning with the Group's ongoing expansion of its RE portfolio, including new solar capacity added in 2025.
- Successful execution and timely commissioning of multiple solar projects, reflecting stronger project management discipline, enhanced coordination and improved the value chain delivery capabilities.
- Technology advancements in higher efficiency modules and smarter monitoring systems, improving energy yield, operational visibility and long-term asset reliability.

OUTLOOK AND PROSPECTS

Malakoff's thermal portfolio will continue to play a stabilising role in the national power system, particularly as Malaysia navigates a period of heightened energy transition, tightening regulations and ongoing cost pressures. In the years ahead, the Group will focus on sustaining dependable operations of its thermal plants by managing asset age profiles, fuel conditions and compliance obligations with greater precision.

For the thermal fleet, priority will be placed on maintaining high availability through proactive maintenance planning, well-sequenced outages and closer monitoring of operational activities. As plants mature, balancing reliability, cost efficiency and operational risk will remain a key consideration to ensure continued performance under long-term contractual arrangements.

Thermal operations will also advance transition-aligned initiatives in a measured and practical manner. Efforts to expand biomass co-firing, enhance emissions management and assess future decarbonisation pathways will continue, subject to technology readiness, fuel security and viable cost-recovery mechanisms. These steps support the Group's broader sustainability objectives while preserving the stability of Malaysia's power system.

The RE segment is expected to continue progressing in a coordinated manner, guided by regulatory approvals, grid readiness and evolving system constraints. As Malaysia accelerates its shift towards a low-carbon system, RE development will be shaped by the pace of policy implementation and infrastructure preparedness. In the coming years, solar will remain a major growth avenue, supported by clear policy direction, rising demand for cleaner energy solutions and stronger market acceptance. The Group will continue deepening engagement with regulators and stakeholders to ensure alignment with evolving requirements, particularly in areas involving compliance and grid integration.

Project readiness will be subject to comprehensive site assessments, grid studies and risk-based planning, while supply chain uncertainties will be managed through diversified sourcing strategies and longer-term procurement arrangements. Investments in supporting technologies such as energy storage, digital monitoring systems and operational optimisation tools, are expected to enhance future system stability and improve asset performance as renewable penetration grows.

Overall, the RE portfolio is set for steady expansion, supported by clearer policy direction, maturing project pipelines and investments that enhance long-term delivery capability. The Group will focus on execution quality, compliance and project viability ensuring that future developments meaningfully support national energy security and emissions-reduction goals.

Looking ahead, the Energy segment is positioned to deliver a responsible and orderly transition, sustaining dependable thermal operations while advancing renewables in line with approvals, grid readiness and system needs. Achieving this will require close collaboration with regulators, policymakers and industry partners to scale transition technologies, manage execution risks and preserve long-term value creation, all in support of Malaysia's Just Energy Transition.



Through the LSS PETRA 5+ programme, Malakoff is driving one of the nation's largest solar expansions, unlocking approximately 967,544 MWh of clean electricity annually and supporting Malaysia's RE goals upon completion in 2028.

ELECTRICITY DISTRIBUTION AND DISTRICT COOLING SYSTEM

Malakoff Utilities Sdn. Bhd. (MUSB), a wholly-owned subsidiary of Malakoff, serves as a key utility provider in Malaysia's electricity distribution and district cooling landscape. MUSB supplies electricity to the 72-acre KL Sentral development under an exclusive license of up to 153 MW and operates a District Cooling Plant that delivers chilled water to 10 commercial and residential buildings within the transit hub. This integrated model enhances system efficiency and provides more sustainable cooling compared to conventional building-level systems.

KEY FOCUS AREAS

- **Enhance the Reliability of Electricity Distribution Network System**
- **Optimise Chiller Maintenance Costs While Maintaining Plant Reliability and Performance**
- **Refine Payment Collection Processes to Boost Efficiency**
- **Continuously Enhance the Condition of Supply Agreement and Customer Charter**

In 2025, both electricity and chilled water demand remained stable within the KL Sentral network. The restructuring of electricity tariffs, implemented on 1 July 2025, contributed positively towards MUSB's financial performance by improving revenue stability and supporting profitability despite the flat consumption profile.

PERFORMANCE REVIEW

During the reporting period, MUSB recorded strong safety performance, achieving 1,157,904 safe man-hours as of December 2025, supported by ongoing initiatives to ensure zero loss time injury and enhancements to the fire fighting system. Financial outcomes also improved, with EBITDA, PBT and PATMI increasing, driven by cost saving initiatives and the implementation of the new Restructuring Electricity Tariff, which further enhanced dividend distribution. Customer service improvements were also advanced with the new Malakoff Utilities landing page, including the implementation of the new tariff structure for customer billing beginning 1 July 2025.

Operational efficiency was enhanced through targeted reliability improvements. Key efforts included implementing changes to the power supply sources incoming from TNB into the KL Sentral area, as well as commencing the installation of an additional 33 kV power cable to reinforce supply reliability within the KL Sentral network. In parallel, more effective billing and credit control processes were instilled by streamlining payment collection, ensuring that aging continued to remain within acceptable parameters.



MUSB decommissioned its previous website in August 2025 and launched a new landing page to enhance customer accessibility and service transparency.

CHALLENGES AND MITIGATION

Secured additional power supply from TNB to meet increasing load demand

Coordinated with TNB to ensure an additional 33 kV power supply from PMU Menara 118

Managed the rise in maintenance cost driven by increasing raw material prices

Undertook extensive cost reduction initiatives to effectively manage maintenance expenditures

Implemented e-Invoicing imposed by the Inland Revenue Board

Pursuant to the system upgrade, measures were implemented to ensure the effective issuance and adoption of e-Invoicing

Limited availability of payment channels for bill payments

Currently, the available payment channels include Maybank online banking, JomPAY, cheques and debit and credit cards. We are exploring additional payment methods commonly used by utility providers, particularly options that support mobile applications and overseas transactions

KEY ACHIEVEMENTS

- The year saw strong operational achievements, with MUSB delivering consistent reliability in both electricity and chilled water supply and maintaining zero major equipment breakdowns in its plant operations
- Service quality also remained exemplary, reflected in a 93% Customer Satisfaction Index score, underscoring the company's commitment to performance excellence and responsive customer engagement

OUTLOOK AND PROSPECTS

The Government's redevelopment of Sentral Station, undertaken with the Ministry of Transport, Public Private Partnership Unit *(Unit Kerjasama Awam Swasta, Jabatan Perdana Menteri-UKAS)* and Malaysian Resources Corporation Berhad (MRCB), is expected to significantly increase utility demand in the KL Sentral development area, beginning in 2026. In anticipation, MUSB will prioritise optimisation of district cooling plant efficiency and augmenting the reliability of electricity distribution to support the area's growing load requirements. On the customer service front, MUSB plans to introduce a SmartApp to enable cashless transactions and enhance communication, improving convenience and overall user experience.



Powering KL Sentral around the clock, MUSB's integrated electricity distribution and district cooling system ensures uninterrupted reliability and sustainable comfort for one of Malaysia's busiest transit hubs, delivering 24/7 performance that keeps the city moving.

OPERATIONS AND MAINTENANCE

As part of the Group's Energy operations, O&M has become an integral execution engine that underpin the performance, reliability and delivery of energy and plant-related projects. The division has expanded beyond traditional support functions, evolving into core operational capabilities that directly drive asset performance, outage efficiency, project delivery and long-term value creation. By coordinating closely with plant operations, engineering teams and commercial functions, O&M ensures disciplined execution, technical excellence and project certainty, reinforcing Malakoff's ability to sustain dependable generation while progressing strategic development initiatives aligned with the Group's transition pathway.

KEY FOCUS AREAS

Disciplined Outage Management and Early Intervention | **Structured Performance Oversight** | **Stronger Cross-functional Coordination**

Malakoff Technical Solutions Sdn. Bhd. (MTSSB) continued to provide essential technical depth and operational support across the Energy and Environmental Solutions segment. Since its establishment in 1993, MTSSB has developed broad capabilities integrating multiple technologies, delivering operational oversight and technical services for thermal power plants, RE facilities, cogeneration units as well as utility-scale and rooftop solar projects. As a wholly owned subsidiary, MTSSB plays a key role in upholding Malakoff's operational standards while aligning its practices with the Group's Environmental, Social and Governance (ESG) ambitions.

Drawing on its extensive technical expertise, MTSSB supports a wide spectrum of O&M activities, combining practical field experience with standardised processes to maintain asset reliability and compliance. Its teams carry out inspection, repair, performance improvement and maintenance work at the Group's operating sites, contributing to safer, more resilient and better optimised plant operations over the long-term.

PERFORMANCE REVIEW

O&M remained a critical enabler of asset performance and reliability with FY2025 efforts directed at sustaining asset availability, managing planned outages efficiently and meeting stringent operating and safety standards.

Greater emphasis was placed on cross functional planning and coordination, particularly for assets requiring heightened attention due to condition related considerations, outage windows or operating constraints. Early intervention, disciplined execution and robust performance oversight helped safeguard reliability outcomes and contain the operational impact of unplanned events.

Leveraging its capabilities in O&M, Maintenance, Repair and Overhaul (MRO), technical training and project management, MTSSB supported both the Group's asset-level needs and the continued reliability and performance of its energy assets.



Strengthening operational reliability through seamless outage management and strict safety standards.

During the year, MTSSB successfully completed the Maintenance and Operations training programme for Petroleum Sarawak Berhad (PETROS). Its MRO performance remained stable, underpinned by ongoing inspection and non-destructive testing (NDT) contracts with key clients. Service delivery continued to align with contractual requirements, with consistent focus on safety, quality assurance and regulatory compliance, even as the business navigated resource and scheduling constraints.

Through the combined strengths of O&M functions with MTSSB's technical capabilities, the Group maintained a solid operating base that delivered consistent asset performance and ensured that operational priorities were carried out efficiently.

CHALLENGES AND MITIGATION

! Manpower availability for specialised maintenance scopes

✓ Workforce planning was strengthened, manpower allocation across projects was optimised and coordination with internal teams and contractors was enhanced to ensure adequate technical coverage.

! Tight project schedules and rapid turnaround requirements

✓ Advance maintenance planning was improved, project scheduling controls were strengthened and close coordination with clients was maintained to ensure timely mobilisation and execution.

! Geographically dispersed operational sites

✓ Coordination between site teams was enhanced, mobilisation planning was improved and internal technical resources were leveraged to ensure timely support for critical works.

! Cost pressures and competitive service environment

✓ Cost control measures were implemented, operational processes were optimised and technical troubleshooting efficiency was improved to maintain service quality while managing costs effectively.

! Increasing complexity of asset maintenance requirements

✓ Technical readiness was further developed, knowledge sharing within the team was expanded and specialised competencies were built to support evolving operational needs.

KEY ACHIEVEMENTS

- Successfully completed the Maintenance and Operations training programme for PETROS
- Secured a two-year contract with TNB Remaco, a subsidiary of TNB Power Generation. (TNB Repair And Maintenance Sdn. Bhd.) for NDT Services (2025–2027)
- Completed the extension of the existing contract with Malaysia Marine and Heavy Engineering in April 2025 (contract period 2023–2025)
- Completed LPP-Block2: 6.6 kV & LV circuit breaker services in April 2025, TBEPP: OCEF protection relay calibration in June 2025 and Port of Tanjung Pelepas: 22 kV SIEMENS switchgear rectification in November 2025
- Continued provision of Inspection and NDT services for Tanjung Bin Complex, covering TBPP and TBEPP

OUTLOOK AND PROSPECTS

The outlook for the O&M Division remains encouraging, supported by sustained demand for operations, maintenance, inspection and asset-integrity services spanning Malakoff's diverse operating footprint. The team will continue sharpening its operational delivery through improved efficiency measures, uninterrupted service performance and uncompromising safety and compliance practices.

As the Group's asset base evolves, O&M will play an increasingly central role in supporting upcoming projects, including major thermal, renewable and environmental-infrastructure developments. Entrenching technical readiness, deploying skilled personnel and enhancing maintenance planning will be essential to ensure seamless integration with the Group's wider project pipeline. This includes providing early-stage technical input, commissioning support and specialised O&M capabilities for new facilities as they progress towards commercial operation.

Growth prospects will be driven in part by deeper engagement with existing clients, with the aim of expanding service coverage and securing larger, multi-year O&M scopes. However, expansion at geographically dispersed sites will require more agile workforce planning and targeted talent development to ensure the availability of qualified personnel for critical assignments.

At the same time, the Division aims to broad its presence in the power as well as oil and gas sectors by actively identifying opportunities in MRO work. Responding swiftly to client needs while remaining competitive on pricing and without compromising on service quality, will continue to be a key differentiator. The O&M Division will prioritise careful coordination of maintenance strategies, supported by applying stricter controls for project scheduling, resource deployment and technical troubleshooting, to reinforce its reputation as a dependable service provider. O&M is well positioned to support the Group's operational resilience and future growth, underpinning Malakoff's broader transition strategy through reliable service delivery and deep technical capability.

PROJECT MANAGEMENT SERVICES

Malakoff has always placed strong emphasis on its project delivery capabilities, applying them not only to new power plant developments but to all projects across the organisation to ensure timely, on-budget, and within-scope completion. Achieving strategic goals requires strong execution capabilities to translate ideas into measurable results. With over 25 years of experience from supporting complex deliveries, Malakoff has developed proven expertise in managing the full life cycle of complex power plant projects, from design and construction to commissioning.

KEY FOCUS AREAS

- **Structured Project Planning and Governance**
- **End-to-end Oversight to Ensure Delivery within Approved Scope, Schedule and Budget**
- **Strengthened Risk Management and Integration Planning**
- **Cross-functional Coordination Across Project Teams**
- **Protecting Operational Continuity and Maintaining Asset Reliability**

In line with the Group's evolving priorities, the scope has expanded into emerging areas such as WTE, LSS, small hydropower (SHP) and battery energy storage systems (BESS). Development in these areas further strengthens support for Malakoff's transition initiatives while building valuable experience across the organisation.

PERFORMANCE REVIEW

Project Management Services has become an integral part of the Group's growth strategy, orchestrating the planning, integration and execution of major developments that cover a wide range of technologies and project phases. Teams were accountable for planning, cross-functional coordination and end-to-end oversight to keep initiatives within approved scopes, schedules and budgets, risk control and integration planning to avoid disruption and safeguard reliability.

While several projects were secured during the reporting period, the team is now actively managing six major projects at varying stages of maturity:

- Two 1,400 MW CCGT developments, one in the south and one in the north of Peninsular Malaysia, progressed through development planning, laying the groundwork for future baseload efficiency and system reliability.
- In environmental infrastructure, construction activities commenced for the 1,056 TPD/22 MW WTE plant in Sungai Udang, Melaka, while in renewables, the pipeline broadened with the 470 MW LSS PETRA 5+ project in Perak and the 100 MW LSS project in Sarawak, both currently in the planning and approval stages.
- Complementing these is the 84 MW SHP projects in Kelantan, currently under construction, which will add flexible, run-of-river generation to the portfolio.

Collectively, these projects represent the next wave of growth and, upon commercial operation, are expected to contribute to long-term earnings while building greater capacity in the Energy and Environmental Solutions segments.

Delivering this pipeline requires early alignment on engineering interfaces and long-lead procurement. The CCGT project teams adopted proactive OEM engagement to secure production slots for critical equipment, validated technical requirements up front, and coordinated closely on delivery schedules and logistics to reduce the risk of slippage, particularly important given global supply-chain constraints on major equipment such as gas turbines.

The focus remains on execution grounded in established protocols, maintaining rigorous stage-gate governance and aligning project readiness with approvals and grid timelines. This integrated approach enables the Group to translate development plans into bankable projects while protecting operational performance and positioning the portfolio for orderly, value-accretive growth.

CHALLENGES AND MITIGATION

! Securing major equipment with long manufacturing lead times, particularly critical components such as gas turbines, driven by global supply chain constraints, stringent technical specifications and the limited number of qualified OEMs

- Adopted a proactive procurement and engagement strategy.
- Initiated early stage negotiations with OEMs to secure production slots.
- Coordinated closely on engineering interfaces, delivery schedules and logistics.
- Strengthened delivery certainty and reduced exposure to schedule slippage through earlier and more strategic OEM engagement.

KEY ACHIEVEMENTS

- Submitted feasibility studies for both 1,400 MW CCGT projects to the relevant authorities, with one project having already secured the Environmental Impact Assessment (EIA) approval
- Achieved significant construction progress for the SHP sites in Kelantan, reflecting steady advancement through planned development milestones
- Signed SPPA for the 470 MW LSS PETRA 5+ project in Perak
- Signed SPPA for the 100 MW LSS Sarawak project
- Commenced site clearing and preparatory works for the WTE plant in Melaka, marking the transition into early construction activities

OUTLOOK AND PROSPECTS

The two upcoming 1,400 MW CCGT projects are expected to play a pivotal role in reinforcing Malakoff's conventional energy portfolio. Once completed, these plants will provide dependable baseload capacity, shoring up system reliability and support Malaysia's long-term energy security objectives. Their scale and efficiency will also enhance operational resilience as the national energy mix transitions toward lower-carbon sources.

In parallel, the Group's RE pipeline, including the 470 MW and 100 MW LSS projects, as well as the 84 MW SHP developments, will broaden the earnings mix and provide meaningful alignment with Malaysia's RE targets and decarbonisation agenda. These projects collectively position Malakoff to accelerate its presence in clean energy generation while diversifying revenue streams that involve multiple technologies and locations.

This balanced pipeline of conventional and RE projects positions the Group for continued growth, operational resilience and alignment with Malaysia's evolving energy transition pathway.



Strong coordination and meticulous oversight ensures timely delivery while protecting the integrity of operating assets.



OPERATING CONDITIONS

The Environmental Solutions business comprises both concession-based and non-concession waste management activities delivered through key subsidiaries, including Alam Flora Sdn. Bhd. (Alam Flora), Alam Flora Environmental Solutions Sdn. Bhd. (AFES) and Genesis Facilities Solutions Sdn. Bhd. (Genesis). In addition, on 28 February 2025, Malakoff, through its wholly-owned subsidiary Tuah Utama Sdn. Bhd., completed the acquisition of a 49% equity interest in E-Idaman Sdn. Bhd. in accordance with the terms of the Share Sale Purchase Agreement with Metacorp Berhad, further expanding the Group's operational footprint, strengthening its portfolio of environmental services and extending its waste management presence into the northern region of Peninsular Malaysia.

Across the portfolio, core waste management operations were carried out under well-defined concession arrangements and service contracts that set clear expectations for performance, cost discipline and regulatory compliance. Operating conditions during the year therefore required a strong operational cadence focused on service continuity, compliance and efficient delivery, ensuring that daily activities remained aligned with contractual obligations while supporting consistent service standards across all sites.

Regulatory requirements, contractual frameworks and the need to ensure consistent service delivery across multiple sites defined the portfolio's operating environment in 2025. These conditions demanded tightly coordinated operating practices to meet contractual and regulatory obligations. Day-to-day operational decisions were guided by the imperative to uphold service reliability over a geographically dispersed portfolio, all while balancing cost pressures and operational complexity.

KEY FOCUS AREAS

Circular Economy	Expansion of Concession Business	Exploring Opportunities in Non-Concession Business	Infrastructure Cleansing and Waste Solutions	Waste Management Facilities
Waste-to-Energy (WTE)	Facility Management	Marine Waste Management and Scheduled Waste Management	Quality Management	Energy Audits

On 19 June 2025, Malakoff's subsidiary, Sungai Udang WTE Sdn. Bhd. entered into a Concession Agreement with the Ministry of Housing and Local Government and Solid Waste and Public Cleansing Management Corporation for the development of a WTE plant at Sungai Udang, Melaka. The agreement covers the design, construction, financing, operation, maintenance and eventual closure of the plant. The project forms part of the Government's long-term waste management strategy, delivering sustained fiscal value over its 34 years concession period, while supporting national waste reduction objectives and generating 22 MW of gross RE to the grid.

Subsequently, on 13 November 2025, SUWTE signed the Engineering, Procurement, Construction and Commissioning (EPCC) Contract with a consortium comprising Jurong Engineering Limited, Kanadevia Corporation, Equator Engineering Sdn. Bhd. and Alam Hzem Sdn. Bhd.

Financial close is expected to take place in mid-2026 under a Sukuk programme. Construction will commence thereafter, with a three-year duration and targeted operational commencement in 2029.

Development activities within Environmental Solutions were influenced by approval processes and policy considerations. In particular, the WTE plant was subject to regulatory requirements, technical assessments and commercial review, which affected project timelines. A measured approach was adopted, with emphasis on regulatory clarity and technical readiness before committing resources to further stages of development.

This approach reflected the different risk profiles between established waste management operations and development-stage initiatives. While core operations required consistency and predictability, development activity involved longer lead times and greater exposure to external approval processes, influencing how management attention and resources were prioritised during the year.

Overall, operating conditions for Environmental Solutions in 2025 required a balance between maintaining stable performance in established operations and managing development activity within a regulated environment. These conditions influenced how the business resources were allocated and priorities set during the year.

KEY ASSETS AND INITIATIVES

The Environmental Solutions portfolio comprises concession-based and non-concession waste management operations, alongside emerging WTE plant developments.

Waste Management Operations



Alam Flora Sdn. Bhd. (Alam Flora)

Kuala Lumpur, Putrajaya and Pahang

Waste Management Solutions

- Waste Collection (domestic and recyclable waste from residential and commercial areas) and Public Cleansing (road sweeping, public drains cleansing, grass cutting, public beaches and markets).

Concession | 22 years | 3,805 tonnes per day (TPD)



Environment Idaman Sdn. Bhd. (E-Idaman)

Kedah and Perlis

Environmental Services

- Solid Waste Management and Public Facilities Cleansing
- Waste Collection, Transportation, Street Cleaning, Landfill Operations and Environmental Maintenance Services
- Integrated Waste Management Services

Concession | 22 Years | 1,500 TPD



Green Resource Recovery Sdn. Bhd.

Kedah, Perlis, Penang and parts of Perak

Private Waste Collections

- ICI Waste

Material Recovery Facility

- IdamanXchange
- Drive Thru Recycling Centre

Non-Concession

Legend

Location | Service | Technology | Contract Type | Contract Tenure | Key Capacity



Alam Flora Environmental Solutions Sdn. Bhd. (AFES)

Waste Management Facility

- Development, Operation & Maintenance of Waste Facilities such as Landfills, Incinerators and Leachate Treatment Plants.

Waste Management Solutions

- Industrial, Commercial and Institutional (ICI) Waste.

SW Management

- Waste Packaging & Labelling, Tank Cleaning, Waste Pre-treatment & Waste Minimisation and Marine Waste.

Private Waste & Recycling

- Waste Collection for Private Companies.

Non-Concession

WTE Initiatives



Sungai Udang WTE Sdn. Bhd. (SUWTE)

Sungai Udang, Melaka | WTE

- 34 years Concession Period
- Construction Scheduled to Commence in Q2 2026
- Target Operational Date: 2029

- 1,056 TPD
- Capacity Generation: Approximately 22 MW of gross RE

Facility Management & Energy Management



Genesis Facility Solutions Sdn. Bhd.

Perlis, Kedah, Selangor, Negeri Sembilan, Johor, Sabah

Non-Concession

- Government/ Public Sector
- Private Sector
- Al-Bukhary Group Assets

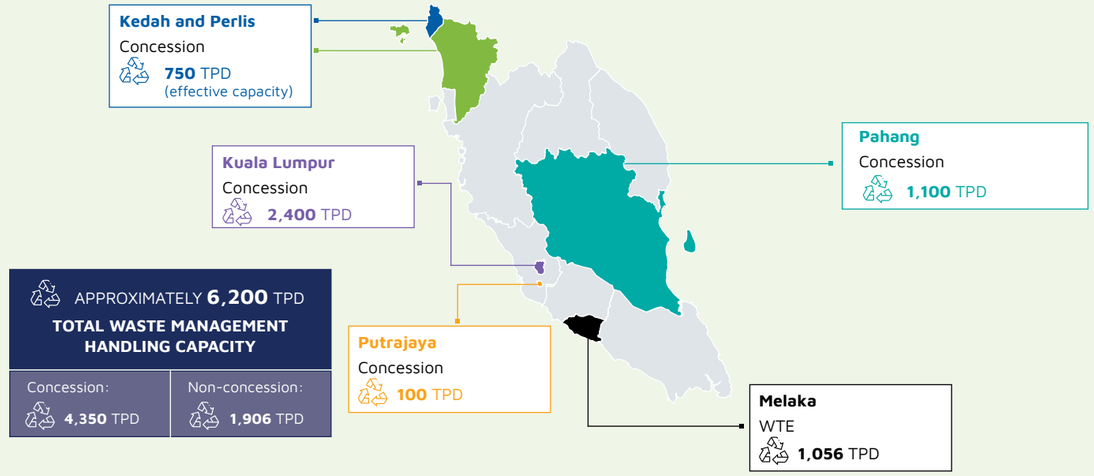
Integrated Facility Management

- Focusing on hard and soft services

Energy Management Services

- Energy Efficiency, Energy Monitoring System and Energy Management System

ENVIRONMENTAL SOLUTIONS: OPERATIONAL AND PROJECT SITES



Alam Flora Sdn. Bhd. (Alam Flora)

- Alam Flora provides municipal solid waste management and public cleansing services under long-term concession arrangements. Its operations cover Kuala Lumpur, Putrajaya and Pahang, where the company is responsible for waste collection, transportation and urban cleansing services across municipal areas.

Alam Flora Environmental Solutions Sdn. Bhd. (AFES)

- AFES is a non-concession environmental services provider within the Group, delivering waste management and environmental solutions. Its services include the development and operation of waste facilities, SW management, private waste collection and recycling activities.

Environment Idaman Sdn. Bhd. (E-Idaman)

- E-Idaman is responsible for solid waste management and public cleansing services across the northern region of Peninsular Malaysia. Operating under a 22-year Federal Government concession, the company provides waste collection, transportation, street cleaning and landfill operations across multiple urban areas and 13 municipal councils in Kedah and Perlis, serving more than 350,000 premises.

Green Resource Recovery Sdn. Bhd.

- Green Resource Recovery provides private waste management services primarily for the ICI sectors. Its activities include recycling, composting, landfill management and commercial waste solutions, and it operates a Material Recovery Facility while promoting circular economy initiatives through the IdamanXchange platform.

Sungai Udang WTE Sdn. Bhd. (SUWTE)

- SUWTE is a special purpose vehicle jointly owned by Malakoff (60%) and AFES (40%), established to develop and operate the Sungai Udang WTE plant in Melaka. The project is undertaken under a 34 years concession covering the covering construction, operation and closure of the plant.

Genesis Facility Solutions Sdn. Bhd. (Genesis)

- Genesis Facility Solutions provides integrated facility management and energy management services across Perlis, Kedah, Selangor, Negeri Sembilan, Johor and Sabah. Its services include both hard and soft facility management, as well as energy monitoring and energy efficiency solutions for government agencies, private sector clients and Al-Bukhary Group Assets.

PERFORMANCE REVIEW

The Environmental Solutions business delivered a stable performance in 2025, supported by continuity in core waste management operations and controlled cost management. Both concession and non-concession activities delivered consistent operating outcomes, with variations in performance due to their differing operating characteristics. Concession operations were based on long-term service obligations and defined operating parameters while non-concession activities were influenced more by contract terms, service scope and operating conditions.

These differences affected operational expenditure, operating priorities and performance drivers throughout the year. In concession-based operations, managing service delivery was the primary focus. Performance reflected the scale and maturity of these activities, supported by established operating processes and experienced teams and well-developed service routes. Route density, service coverage and operational efficiency continued to shape day-to-day outcomes and cost performance, with close oversight maintained to uphold reliability, compliance and contractual delivery standards.

Non-concession waste management activities also performed steadily, with results varying according to contract scope and customer profiles. Resource allocation and cost exposure were influenced by service intensity and technical requirements across a diverse mix of ICI clients.

The WTE plant remained in the development stage during the year. Progress centred on technical, regulatory and commercial evaluation, with preparatory work contributing to clearer formulation of project scope, delivery requirements and long-term development considerations. These initiatives, therefore, did not contribute to operating results in FY2025 but advanced the Group's transition and decarbonisation roadmap.



Alam Flora's fleet renewal introduces modern compactor trucks, delivering faster, more reliable waste collection while contributing to Malaysia's carbon-reduction ambitions.

Within this broader performance, E-Idaman contributed positively following Malakoff's acquisition of a 49% equity interest. Results were supported by continuity in waste management operations, effective cost control and consistent delivery across both concession and non-concession segments.

In the concession segment, ensuring service reliability, maintaining regulatory compliance and strengthening operational efficiency remained central themes. A significant development during 2025 was the widening of concession coverage in Perlis to include additional village areas. This required scaling up operational assets and premises, expanding E-Idaman's service footprint and reinforcing its presence within concession boundaries.

Non-concession activities performed in line with expectations, supported by a diversified portfolio of ICI contracts. During the year, the Group also secured a major new non-concession contract for solid waste collection and recycling services, further enhancing its position within the commercial client segment. In addition, recycling efforts advanced meaningfully, supported by improved sorting capabilities that strengthened material recovery efforts and contributed to the Group's broader circular-economy objectives.

Overall, the performance of the Environmental Solutions segment reflected commendable outcomes in established operations alongside measured progress in development activity.

During the year, Malakoff's Environmental Solutions rolled out a range of initiatives designed to raise service standards, improving financial performance and responding to Malaysia's evolving waste-management landscape. These efforts spanned tariff restructuring, cost optimisation, service-quality enhancement, recycling and circular-economy expansion, digitalisation, and the diversification of technical service offerings.

Collectively, these initiatives reflect a more integrated operating approach - one that balances commercial sustainability with improved service outcomes, regulatory alignment and long-term environmental stewardship.

Tariff Revision and Concession Extension
The third-cycle tariff revision and concession extension proposal was submitted to UKAS for review prior to escalation to the Ministry of Finance. The proposal included expanded service scopes under *Reformasi Pembersihan Awam*, aligning the mandate with evolving national policy objectives.

Cost Optimisation and Loss Mitigation
Targeted cost-down and efficiency measures were implemented in operations, procurement and contracting, narrowing the projected financial gap for ICI accounts in 2025. This was achieved through more effective resource deployment, firmer productivity controls and proactive contract renegotiations.

Service Quality and Operational Excellence
The suite of prescribed operational initiatives that was introduced, included the Incentive C.R.E.W. programme, *Hero Gaya Kerja*, SweetBin, expanded mechanisation, modernisation programmes and bin tyre recycling. Through these efforts, Alam Flora achieved stronger operational productivity and improved cost efficiency. Externally, the initiatives also enhanced the company's image, as workers presented themselves more professionally and engaged customers with greater friendliness—resulting in fewer complaints and higher overall satisfaction.

Circular Economy and Landfill Diversion
Large-scale recycling and diversion initiatives were expanded to reduce landfill dependency and enhance resource recovery. Key initiatives included the MGB Bin Life cycle Recycling Programme and a refuse-derived fuel collaboration with Nestlé Malaysia, which strengthened partnerships across the value chain and supported government-led segregation programmes for municipal and domestic waste.



C.R.E.W. PROGRAMME
The Compactor Rewards for Effort and Work Excellence (C.R.E.W.) 2025 programme is an incentive initiative by Alam Flora that recognises and motivates frontline 'heroes' responsible for cleaning and waste collection. The programme promotes high-quality service and encourages greater productivity among depot workers.



Hero Gaya Kerja
- 393 heroes were recognised for exhibiting professional conduct, operational discipline and safety.



SweetBin
- New bin design to improve the safety of manual road sweepers during on-site work

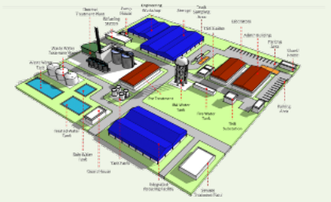
Digitalisation and Technology Adoption
Digital and automation capabilities were expanded to improve efficiency, transparency and asset reliability. This included the implementation of cashless recycling buy-back systems, launch of the Recyclink App, deployment of autonomous ground vehicles and drones, and standardisation of the Computerised Maintainance Management System (CMMS) to heighten operational efficiency.

Alam Flora's Recyclink super-app, launched in August 2025, enhances operational efficiency by offering a cashless, reward-based digital platform that simplifies customer interaction, promotes value-chain collaboration and strengthens Alam Flora's commitment to innovation, environmental stewardship and broader ESG objectives.

Revenue Diversification
AFES continues to expand its role in providing holistic environmental solutions, encompassing infrastructure cleansing, landfill management and waste treatment. To broaden its revenue base and strengthen technical capability, new service lines, including tank and vessel cleaning, pond desludging, contaminated water pre-treatment, marine waste management and scheduled-waste packaging and labelling were introduced.



AFES operates the integrated Port Reception Facilities (PRF) at Johor Port to manage ship-generated SW, solid waste and sewage. Developed in accordance with the International Convention for the Prevention of Pollution from Ships (MARPOL) requirements, the facility ensures responsible and efficient on-site waste handling to safeguard marine environment. Construction and testing have been successfully completed, and the facility is now fully ready for operational deployment.



Currently under construction, the Sustainable Facility and Eco Park Centre (SAFE-T) in Kemaman, Terengganu will incorporate SW in collaboration with local councils as part of a broader landfill-diversion strategy. Once operational, SAFE-T will provide safe treatment, storage and disposal of SW for the East Coast region, offering a more sustainable alternative that reduces transportation risks and environmental impacts. The facility operates under Department of Environment licensing and supports AFES's commitment to advancing circular-economy practices.

CHALLENGES AND MITIGATION

▶ WASTE AND FACILITY MANAGEMENT

! Margin erosion from low-margin/loss-making contracts and price-based competition

- Rationalised customer portfolio through contract repricing and exit of loss-making accounts.
- Prioritised long-term, high-volume and margin-accretive contracts.
- Focused on ESG-aligned customers and leveraged sustainability credentials to differentiate from low-cost competitors.

! Revenue volatility and cost inefficiencies in recycling operations

- Diversified recycling initiatives, including project-based recovery with stable demand.
- Expanded and strengthened feedstock supply through wider collection coverage and improved source separation.
- Enhanced operational efficiency via improved sorting, workflow optimisation and targeted workforce training.
- Standardised ESG and carbon reporting using recognised digital tools.



RISE@KL is a semi-automated sorting facility for recyclables.

AFES also manages a portfolio of specialised facilities, including RISE@KL, a semi-automated sorting facility for recyclables located in Batu Caves, Selangor and FIKS, a 3R education and recycling hub in Putrajaya. Additionally, the Anaerobic Digestion Plant converts food waste into biogas and bio-fertiliser, further supporting resource recovery and sustainable waste management.

! Rising operational costs

- Commenced Project Prime with solutions to address gaps with best practices.
- Consistent focus on areas such as overtime, repair of breakdown, fuel, rental of machinery and manpower supply to manage cost.
- Converted to performance-based contracts.
- Bundled services (hard and soft facility management) to improve margin mix.
- Included price adjustment clauses for labour and utilities in long-term contracts.

! Limited cost control due to centralised operations and aging assets

- Improved consumption efficiency through stricter route planning, fuel monitoring and driver behaviour control.
- Strengthened preventive maintenance via daily checks and essential-cost-only controls at loss-making facilities.
- New compactors, arm roll trucks and power press units were delivered under the fleet renewal programme.
- Implemented life cycle cost management, condition-based monitoring and early client engagement on capital planning.

! Sales and disposal of retired and dilapidated vehicles

- Second-hand vehicles were sold to gain higher disposal value.
- Increased space at depots to optimise space utilisation.

! Operational disruptions and revenue leakage in contract-based facilities

- Proactively monitored operational Key Performance Indicators (KPIs) and waste inflows to anticipate and mitigate deduction risks.
- Negotiated higher concession waste fees and revised tipping fee ceilings to safeguard operational viability.
- Maintained strict compliance with contractual obligations to protect revenue and avoid penalties.

! Entry barriers and capability gaps in new segments

- Adopted a consortium strategy to leverage partners' licences, technical track records and operating experience while building internal capability.
- Implemented an asset-light operating model, utilising subcontracting and leasing to mitigate capital expenditure and asset obsolescence risk.
- Accelerated talent acquisition by recruiting certified and experienced technical personnel to build internal expertise and operational readiness.

! Manpower shortage, skill gaps and reactive maintenance culture

- Developed a workforce planning and competency framework.
- Multi-skilled technicians (M&E, HVAC, basic BMS).
- Established asset criticality ranking.
- Implemented CMMS for scheduling, tracking and reporting.
- Enforced maintenance compliance audits.

▶ WTE

! Securing competitive project financing

Progressing the sukuk submission to secure long-term, cost-efficient financing and support timely financial close.

! Rising capital and financing costs

Coordinated closely with financial institutions and advisors to refine capital structure to address lender requirements and ensure bankability.

! Long tenure concession obligations

Enhanced financial modelling, contingency planning and cost monitoring to mitigate exposure to price volatility over the concession period.

! Physical, technical or logistical challenges at the project site may disrupt preparatory works and impact construction timelines

Enhanced engagement with authorities, consultants and contractors to resolve site issues promptly and maintain project alignment.

! The project requires continuous alignment between authorities, engineering consultants and contractors, posing coordination risks

Intensified focus on early stage construction readiness, with structured planning to address site related constraints and expedite enabling works.

! WTE facilities involve complex engineering, environmental and safety specifications that heighten execution risk

Adopted tighter project controls, clear escalation pathways and aligned reporting structures to minimise execution risks.

! Delays in enabling works, permitting and site readiness can cascade into the construction schedule and affect overall progress

Undertook regular risk reviews, contingency scheduling and early intervention strategies to maintain momentum and prevent delays.

BUSINESS REVIEW: ENVIRONMENTAL SOLUTIONS

KEY ACHIEVEMENTS

2025 marked a year of strong operational momentum for Malakoff's Environmental Solutions portfolio, combining dependable outcomes in core waste management operations with selective growth in new services and a decisive WTE milestone. Contract performance, operational reliability and commercial rigour were prioritised, while moving strategic initiatives forwardat a controlled pace.

- In February 2025, AFES secured a RM10.3 million O&M contract for *Tapak Pelupusan Maokil* and commenced mobilisation for this contract at the Maokil Landfill in Labis, Johor.
- Alam Flora introduced the Recyclink App, a "super app" designed to allow users to schedule recycling collections and monitor their recycling activities.
- Genesis secured additional private-sector clients for office premise cleaning in Klang Valley and continues to seek collaborations within Southeast Asia.
- Additional rail-related cleaning services were secured by Genesis for the LRT3 operational launch in the third quarter of 2025.
- Genesis obtained an extension for the Diesel Multiple Unit and Intercity Trains Coaches Cleaning and Sleeperette Preparation Services in 2025.
- In 2025, E-Idaman secured a contract with Malaysia Airports Holdings Berhad for ICI, non-concession solid waste collection and recycling services.
- In April 2025, E-Idman commissioned the AI-powered sorting system at Jitra MRF, Kedah, with the capability of processing and sorting up to 17 tonnes of plastic waste per day, enhancing material recovery rates, improving operational efficiency, and advancing circular economy initiatives.

OUTLOOK AND PROSPECTS

The Environmental Solutions business will continue to emphasise continuity in its core waste management operations, supported by well-regulated cost management and the consistent delivery of contracted services. Both concession and non-concession activities are expected to operate within established contractual and regulatory parameters, with focus placed on fulfilling service requirements and managing operating pressures.

In the concession segment, the Group will continue advocating operational excellence through targeted digitalisation and the adoption of new technologies. Key initiatives include the progressive integration of fleet-optimisation systems, expansion of electric vehicle (EV) deployment and increased mechanisation to enhance productivity, service reliability, cost efficiency and environmental performance.

For the non-concession segment, the Group aims to deepen the integration of waste-management solutions tailored to evolving customer needs. Strategic expansion into new operational areas will position the non-concession business as a significant growth catalyst while supporting greater geographic diversification. The Group remains focused on maintaining stable and dependable operational performance while progressing development initiatives in a measured and disciplined manner in both segments.

Development initiatives, particularly those involving the WTE plant, will progress in line with regulatory approvals, technical readiness and commercial viability. As part of this, the 1,056 TPD/22 MW WTE plant project in Melaka is expected to gain momentum as it transitions from site preparation into procurement and construction phases. This development marks a significant step in Malakoff's involvement in the WTE value chain and contributes to the ongoing growth of the Environmental Solutions pillar.

Overall, the business aims to maintain sound operational performance while advancing development activities in a measured and prescribed manner. This approach enables Environmental Solutions to continue delivering on existing commitments while retaining agility to respond to shifts in regulatory, policy and market conditions.

BUSINESS REVIEW: INTERNATIONAL OPERATIONS

INTERNATIONAL OPERATIONS

OPERATING CONDITIONS

Malakoff's international portfolio operates within the dynamic utility landscapes of Saudi Arabia, Bahrain and Oman in the Middle East, where demand for water and electricity continues to be driven by demographic expansion, industrial growth and the climatic conditions of the Gulf region. These countries rely heavily on desalinated water to meet daily needs, with consumption patterns driven by both urbanisation and rising living standards. Electricity use remains consistently high due to year-round cooling requirements and ongoing economic development, resulting in strong, structural demand for reliable generation and water-production capacity.

The Group's Independent Water Plants (IWPs) and IWPPs operate under long-term offtake arrangements with government entities or national utilities, providing predictable revenue streams and protection against market volatility. These agreements underpin stable operations, ensuring that production capacity is fully contracted and supported by established payment mechanisms.

During the year, external factors across the region influenced operating conditions, though without disrupting overall plant availability. Prolonged heat periods and shifting seasonal patterns increased the burden on both water and power systems, reinforcing the critical role of desalination and dependable baseload electricity. At the same time, each jurisdiction continued to refine elements of its regulatory environment, including policies related to efficiency standards, fuel supply frameworks and broader sector transformation initiatives. While these developments required close monitoring, they remained manageable within existing contractual structures.

Within the Group's broader portfolio, these overseas assets serve as a strategic stabiliser, geographically diversified, long-tenured cash flows that complement domestic operations. Their long-range visibility and insulation from market price fluctuations strengthen the Group's financial resilience and support ongoing portfolio optimisation efforts.

WATER DESALINATION

KEY FOCUS AREAS

- **Alignment of Overseas Assets and Investments with Business Goals**
- New Investment Opportunities
- **RE-Powered Desalination Initiatives**
- Strategic Alliances Across the Middle East and North Africa (MENA)
- **Strengthen Presence in the Water and Power Markets**

Contributions were supported by Shuaibah Water & Electricity Company (SWEC) and Shuaibah Expansion Project Company (SEPCO) in Saudi Arabia, Hidd Power Company (HPC) in Bahrain, and the Muscat City Desalination Company (MCDC) in Oman, reflecting sustained demand for desalinated water and electricity in their respective markets. Operational delivery of these assets generally aligned with contracted availability and production requirements. Notably, HPC, which had recorded impairment-related losses previously, demonstrated normalised performance from 2024 onwards, with no further losses recognised by Malakoff, providing greater predictability within the international portfolio.

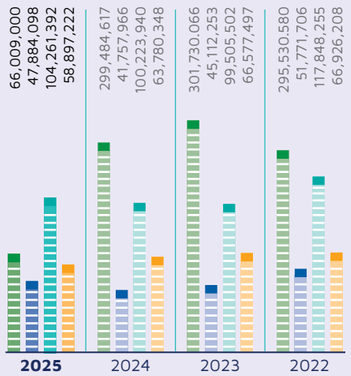
Activities across Malakoff's international operations in 2025 centred on close oversight of plant performance, risk management and selective evaluation of potential opportunities. Engagements with partners and asset companies focused on operational efficiency, adherence to contractual obligations and reviews of any restructuring requirements. Exploration of new desalination prospects remained measured, consistent with the Group's current preference to allocate capital towards domestic growth priorities rather than expanding its geographical footprint.

With an effective water production capacity of 472,975 m^3 per day, the Group's overseas assets continued to meet the needs of their respective jurisdictions and remained a stable contributor to overall performance. As long-term concession-based investments, these ventures delivered continuity and steady operational outcomes rather than growth-led returns in FY2025.

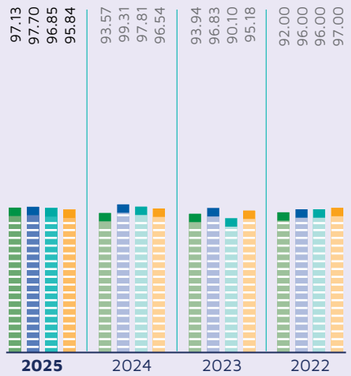
OPERATIONAL RESULTS

Plant	Location	Gross Capacity (m^3/day)
Shuaibah Phase 3 IWPP (SIWPP)	Saudi Arabia	880,000
Shuaibah Phase 3 Expansion IWP (SIWEP)	Saudi Arabia	150,000
Al-Hidd IWPP	Bahrain	410,000
Al-Ghubrah IWP	Oman	191,000

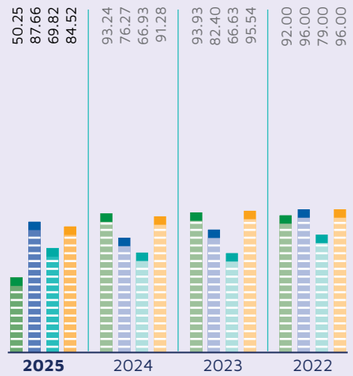
Total Water Production (m^3/day)



Equivalent Availability Factor (%)



Capacity Factor (%)



*Shuaibah Phase 3 IWPP As of 31 May 2025 | Shuaibah Phase 3 Expansion IWP | Al-Hidd IWPP | Al-Ghubrah IWP

Please refer to page 100 of this Business Review for Thermal Performance Review.

PERFORMANCE REVIEW

The Group's international portfolio comprises investments in IWPs and IWPPs in Saudi Arabia, Bahrain and Oman. These assets, with a combined effective water production capacity of 472,975 m^3 per day, continued to play a material role in meeting regional demand, supplying clean water to an estimated 42.7 million people.

During the year, Shuaibah 3 IWPP in Saudi Arabia was formally decommissioned in May 2025, following the conclusion of its operational life cycle. Remaining assets performed in line with expectations, with operational indicators particularly availability and capacity factors, generally tracking the established business plan and technical projections.

In the MENA region, desalination remains a critical solution due to limited freshwater resources, with the industry gradually adopting more energy efficient and renewable assisted technologies. These shifts highlight the growing need for integrated expertise in both water production and power systems. Operating in this environment requires careful consideration of geopolitical dynamics, regulatory developments and market competition.

Malakoff addresses these factors through due diligence, prudent risk assessment and collaboration with established partners. Investment evaluations during the year were selective. While the team assessed several potential power and desalination related opportunities, reviews were deliberately limited in scope, indicating the Group's short-term strategic focus on strengthening its domestic portfolio rather than expanding internationally.



The Al-Hidd IWPP plays a vital role in Bahrain's energy and water security, combining high-efficiency generation with large-scale desalination capacity.

Amid a landscape that includes both state-owned utilities and international developers, Malakoff's experience in managing multi-jurisdictional assets enables the Group to participate in opportunities with informed judgment. While the emphasis remains on maintaining and stabilising current operations, the Group continues to monitor suitable prospects where its capabilities can be effectively applied. Overall, the international assets remained stable contributors to portfolio performance, supported by predictable operating profiles and long-term contractual structures.

CHALLENGES AND MITIGATION

! Strong competition from leading utilities, international trading companies and new market entrants

✓ Pursued strategic alliances with experienced partners to enhance our competitive edge. Actively collaborated with local and global financial institutions and export credit agencies to secure support.

! Heightened regulatory oversight and government attention on seawater reverse osmosis energy efficiency and its ecological effects on marine ecosystems.

✓ Reinforced internal policies to align with regulatory expectations and market best practices.

! Challenges in extending the concession agreements due to policy shifts and uncertainties specific to each region or country.

✓ Participated in ongoing discussions and forums with key stakeholders. Carefully evaluating risks in relation to potential returns.

! Power and water assets in the Middle East operate within a geopolitical environment characterised by regional tensions, evolving diplomatic relations and shifting regulatory and policy landscapes.

✓ Active engagement with local partners and authorities, complemented by close oversight and continuous monitoring by the Group's management and technical teams, to ensure regulatory compliance and timely response to policy developments.

! Tariff uncertainty can affect revenue and cost recovery, particularly when rate adjustments do not fully reflect changes in operating expenses.

✓ Operational expenses were closely monitored through efficiency initiatives and preventive maintenance, while long-term power and water offtake agreements helped stabilise revenue and mitigate tariff volatility.

! Increasing competition from established utilities, regional developers and new entrants offering diverse technical and financial capabilities.

✓
- Built collaborative arrangements with reputable regional and international partners to raise the quality of proposals.
- Engaged financial institutions and export credit agencies to improve bankability and support competitive positioning.

BUSINESS REVIEW: INTERNATIONAL OPERATIONS

Closer regulatory scrutiny on desalination technologies, including expectations around energy efficiency, environmental safeguards and marine ecosystem protection

- Enhanced internal governance frameworks to mirror evolving regulatory expectations and global benchmarks.
- Incorporated environmental considerations earlier in project planning to support compliance and sustainability outcomes.

Operating in markets with varying political conditions, regulatory shifts and economic uncertainties, which may affect project timelines and risk exposure

- Continuously monitored policy developments and market conditions through structured risk assessments.
- Maintained active dialogue with regulators, industry bodies and project partners to anticipate shifts and adjust plans prudently.
- Prioritised jurisdictions with clearer regulatory pathways while applying stricter evaluation criteria for higher risk markets.

KEY ACHIEVEMENTS

- Recorded zero Lost Time Injuries and Lost Time Accidents at all international assets, including Shuaibah Phase 3 IWPP, Shuaibah Phase 3 Expansion IWP, Al-Hidd IWPP and Al-Ghubrah IWP.
- Al-Hidd IWPP successfully renewed its ISO 45001 and ISO 14001 certifications and received the Royal Society for the Prevention of Accidents (RoSPA) President's Award in 2025, recognising sustained excellence in health, safety and environmental (HSE) performance.
- Al-Ghubrah IWP attained ISO 14001, ISO 45001 and ISO 22301 certifications in 2025, demonstrating its commitment to environmental stewardship, occupational health and safety, and business continuity.
- Shuaibah Phase 3 IWPP reached its key decommissioning milestone in May 2025, marking the completion of its operational lifecycle in accordance with planned timelines.
- Malakoff International Limited (MIL) was shortlisted as a qualified bidder for the Al-Nouf IPP project by the Emirates Water and Electricity Company (EWEC) in Abu Dhabi. The project, one of the region's largest upcoming gas fired developments, entails a 3,300 MW CCGT facility to be developed on a Build-Own-Operate (BOO) basis under a 25 year PPA, reinforcing the Group's continued relevance in competitive regional tenders.

OUTLOOK AND PROSPECTS

In the near term, focus will be on optimising the operational efficiency of overseas assets. This includes maintaining performance within contracted parameters, managing investment risks and ensuring that the portfolio remains aligned with Malakoff's financial and operational objectives.

Assessment of new investment opportunities will be selective. While regional demand for large scale desalination and integrated water power facilities continues to grow, particularly in the Gulf, the Group prioritises opportunities that meet its commercial requirements and risk profile. During the year, MIL was listed among the qualified bidders for Kuwait's Az Zour North IWPP Phases 2 & 3 - a large, combined power and desalination project. However, the decision was made to not proceed with submitting the bid.

Rising demand across the Gulf has prompted utilities to advance major expansion programmes, making targeted involvement in high-quality tenders a central element of MIL's international growth approach. Participation in tenders, including the Al Nouf IPP project, enhances MIL's visibility in the Middle East's competitive energy market, aligning with the Group's strategy to selectively pursue opportunities with long-term, stable concession contracts.

Overall, the near-term outlook will give precedence to systematic portfolio management, operational reliability and careful evaluation of potential projects. This approach supports measured growth while ensuring that international investments remain consistent with the Group's strategic direction.

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SETTING THE FUTURE: LONG-TERM SUSTAINABILITY, RESILIENCE AND FUTURE-READINESS

In advancing our commitment to responsible and sustainable growth, this Sustainability Statement sets out Malakoff's continued efforts to create long-term value for stakeholders through resilient business practices, responsible environmental stewardship and sound governance. It reflects our focus on managing sustainability priorities in a manner that supports operational resilience, stakeholder confidence and future readiness.

Guided by our materiality assessment and aligned with globally recognised frameworks, this Sustainability Statement explains how sustainability priorities are translated into measurable actions across our Energy and Environmental Solutions pillars. These actions are shaped by operational realities while remaining aligned with longer-term transition and sustainability objectives.

Through transparent performance disclosures, supported by internal review processes, limited independent assurance and practical case studies, this Sustainability Statement reflects Malakoff's ongoing journey to strengthen operational excellence especially in relation to safety, reliability and efficiency, while reducing risk and environmental impact over the long-term. We are also progressing towards a more structured approach to climate change, aimed at contributing meaningfully to Malaysia's sustainability agenda.

Our Sustainability Approach

Recognising the complexity of operating in carbon-intensive sectors with complex decarbonisation pathways, Malakoff's sustainability approach focuses on embedding environmental stewardship, social value creation and strong governance practices within its Energy and Environmental Solutions businesses. These considerations are integrated into decision-making processes across the Group, supporting resilience and responsible operations while delivering sustainable value over the long-term.

Guiding Principles

Our Sustainability Statement has been prepared with reference to internationally recognised guidelines, principles, frameworks, standards and sustainability-related indices, including the UN SDGs, the Ten Principles of the UNGC relating to human rights, labour, environment and anti-corruption as well as GRI Standards 2021. In addition, our Climate-related Disclosures (Sustainability Statement) has been prepared in accordance with the IFRS Sustainability Disclosure Standards, as adopted under the Bursa Malaysia MMLR, namely IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures issued by the ISSB.

Together, these frameworks provide a structured and stakeholder-informed foundation for identifying and addressing the Group's most significant sustainability matters. They support consistent prioritisation, resource allocation and performance monitoring across the Energy and Environmental Solutions business pillars.

In support of the UN SDGs, Malakoff has identified 13 priority goals where the Group's business activities are well positioned to contribute meaningfully (refer to the Related SDGs on page 130). These priorities are reflected in our material matters and programmes, supporting alignment between business operations and global sustainability objectives.

Our commitment is anchored around Environmental, Social and Governance (ESG) themes, which guide how the Group sets priorities, drives sustainability efforts and supports long-term growth. These themes embed sustainability considerations into our business decisions and activities, contributing to strengthening Malakoff's long-term resilience.

Across our two core business pillars of Energy and Environmental Solutions, Malakoff continues to advance its transition towards a lower carbon organisation. This includes progressing RE initiatives, expanding sustainable environmental solutions that support a circular economy, and managing the carbon footprint of power generation assets.

Collectively, these efforts position the Group to navigate a changing energy landscape while building resilience and future readiness.

Governance of Sustainability Matters

The Board of Directors at Malakoff holds the ultimate responsibility for overseeing corporate governance and the creation of value for shareholders. This oversight is supported by the Corporate Planning department, formerly known as Sustainability, Research and Investor Relations, which regularly reports to both the Management team and Board on the Group's sustainability initiatives.

The Management Sustainability Committee (MSC) is tasked with steering the development of the Group's strategic direction, chaired by the GCEO. Established based on our 2022 Terms of Reference, the committee is also responsible for ensuring that the Group's strategy is in line with Malakoff's corporate vision, goals and values. In addition, the MSC plays a critical role in fostering a strong sustainability culture within the organisation.

Corporate Planning is at the forefront of executing sustainability strategies and projects. Serving as the core driver for sustainability efforts, the department oversees day-to-day operations and is committed to integrating sustainability principles into tangible initiatives. The department also ensures the Group's actions are in line with the Sustainability Framework and its targets, contributing to long-term sustainable success.

To deepen the integration of sustainability across the Group, we employed continuous and targeted communication to engage Senior Management, Heads of Departments and key operational personnel. These communications are intended to reinforce the critical role each individual plays in delivering their responsibilities and to ensure that sustainability is understood not as an abstract or aspirational concept, but as a core principle embedded in daily actions, roles and performance expectations across the Group. As stakeholder expectations continue to evolve, transparent communication is essential in reinforcing confidence in Malakoff's ability to execute its sustainability agenda, making consistent engagement across the organisation all the more important. We will continue to engage with all levels of internal stakeholders to entrench the importance of sustainability within the organisation.

For further details on the roles of the MSC as well as sustainability responsibilities and governance structure, please refer to the Corporate Governance Overview Statement on pages 250 to 272.

Sustainability Framework

Malakoff's Sustainability Framework is a structured system that details out how sustainability is governed, prioritised and implemented across the organisation. It highlights our focus on sustainability and guides our long-term ESG efforts.

ENVIRONMENTAL
Transitioning to a Cleaner Energy and Circular Economy Future

Climate Change
Reducing our GHG emissions and moving towards a low-carbon system by transitioning to RE and Environmental Solutions

Circular Economy
Reducing overconsumption, designing out waste, regenerating the ecosystem and promoting the reuse of new raw materials

Water Security
Improving the efficiency of water usage and ensuring the long-term supply of water in water-stressed areas.

SOCIAL
Empowering Our People and Supporting Our Communities

Diversity
Fostering a culture of diversity and inclusivity

Health, Safety, Security & Environment (HSSE)
Creating a safe working environment and prioritising the well-being of the workforce

Corporate Social Responsibility (CSR)
Ensuring the CSR pillar works hand-in-hand with various stakeholders

GOVERNANCE
Embedding Sustainable, Innovative Business Practices and Acting with Integrity

Corporate Governance
Maintaining an effective governance and decision-making structure

Risk Management
Identifying material risks and ensuring effective mitigation as well as strong internal controls

Compliance & Integrity
Acting with integrity and ensuring regulatory compliance

Sustainability Commitments

Being in a sector with inherent emissions intensity, it is imperative that we clearly articulate our commitment to sustainability, reinforcing our accountability for responsible operations and sustainable long-term value creation. Malakoff's Sustainability Commitments revolve around the three ESG pillars:

ENVIRONMENTAL
We are committed to act on climate change by reducing our carbon emissions and advancing the transition to a cleaner energy and circular economy future

SOCIAL
We will enrich communities and cultivate an inclusive culture within an agile organisation offering equal opportunities for all our people to grow professionally within a safe and healthy work environment

GOVERNANCE
We will enforce and observe the highest corporate compliance standards in all units and activities of the Group

Material Matters

- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M15 Asset Life Cycle and Integrity
- M17 Water Management
- M20 Biodiversity
- M3 Occupational Safety and Health
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights
- M19 Community Impact
- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M14 Grid Stability
- M16 Supply Chain Management
- M18 Technology and Innovation

Related SDGs

3 GOOD HEALTH AND WELL-BEING | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS

Malakoff's Sustainability Targets

Carbon Emissions

CO_2

30% reduction in GHG emissions intensity by 2031 from a 2019 baseline

COAL

No new coal investments

Renewable Energy

Achieve **1,400 MW** by 2031

PROFIT

Grow profit contribution from RE and Environmental Solutions to **≥50%** by 2031

Waste Management

Collect, handle and manage waste volume of **10,000 TPD** by 2031

Our Material Sustainability Priorities

Our sustainability priorities are organised under ESG themes to provide a clear overview of the matters most relevant to the Group. Based on the findings of the double materiality assessment conducted for 2024 IAR, these priorities established a structured foundation for sustainability focus areas, planning and key initiatives across the Group.

For ease of reference, these priorities are presented under our ESG Stewardships. However, several matters cut across multiple dimensions and are addressed holistically across the Group. Among these priorities, the Group's emphasis on climate-related risks and opportunities, particularly those associated with physical and transition risks, the energy transition and GHG emissions, are of heightened significance. Matters related to climate-related risks and opportunities are therefore disclosed in greater detail in our Climate-related Disclosures (Sustainability Statement) on pages 228 to 239.

Materiality Analysis

The Group did not undertake a new double materiality assessment for the 2025 IAR. The Material Matters under the double materiality assessment conducted for the IAR 2024 remain relevant and continue to provide an appropriate basis for this year's sustainability disclosures, as there have been no material changes to the Group's business, operating environment or stakeholder expectations that would necessitate a reassessment.

The Material Matters represent the sustainability topics that are most relevant to Malakoff's business and stakeholders. They are material as they impact people and the environment and give rise to risks and opportunities relevant to the Group's sustainability and long-term viability.

Topics with the greatest potential impact on people and the environment.

Sustainability-related risks and opportunities that may influence our performance and long-term resilience.

For 2025, we continued to disclose the same 20 Material Matters, reflecting their ongoing relevance to our strategy, operations and stakeholder expectations. Based on the assessment, 11 topics are prioritised as "Top Material Matters", while nine are "Supporting Material Matters" that remain important and are actively managed.

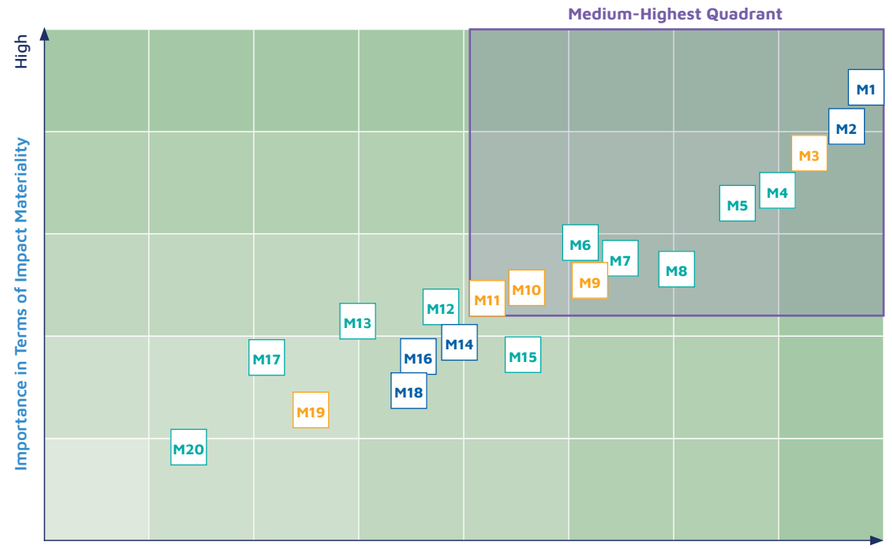
Top 11 Material Matters

- M1 Good Governance and Corporate Integrity
- M2 Regulatory Compliance
- M3 Occupational Safety and Health
- M4 Operational Excellence
- M5 Physical and Transition Climate Risks
- M6 Renewable Energy Transition
- M7 Energy Mix and Efficiency
- M8 GHG Emissions
- M9 Stakeholder Management and Engagement
- M10 Talent Management and Development
- M11 Human and Labour Rights

Supporting 9 Material Matters

- M12 Waste Management and Effluents
- M13 Coal Ash Management
- M14 Grid Stability
- M15 Asset Life Cycle and Integrity
- M16 Supply Chain Management
- M17 Water Management
- M18 Technology and Innovation
- M19 Community Impact
- M20 Biodiversity

☐ Material topics related to Environmental ☐ Material topics related to Social ☐ Material topics related to Governance



How Material Matters Connect to Our Disclosures

The Group's 20 Material Matters provide a structured view of the sustainability topics most relevant to Malakoff and support how we organise and communicate our sustainability focus areas and disclosures across the Group.

To enhance clarity and minimise duplication, matters related to climate-related risks and opportunities are presented in greater depth in our Climate-related Disclosures (Sustainability Statement) on pages 228 to 239. This section sets out the Group's climate-related governance, strategy, risk management approach, as well as relevant metrics and targets.

The table that follows provides a structured cross-reference linking each Material Matter to the relevant sections of this IAR, including why the matters are relevant to Malakoff, the associated management approaches, performance highlights and key initiatives. Together with operational case studies across our Energy and Environmental Solutions pillars, these disclosures illustrate how Malakoff translates material sustainability priorities into practical actions and outcomes.



Material Matters Reference: Risks, Opportunities and Our Commitment

Material Matter	Risks & Opportunities	Management Approach	Performance & Data	Key Initiatives
M1 Good Governance and Corporate Integrity	Governance Stewardship pages 202 to 205			
M2 Regulatory Compliance	Governance Stewardship pages 206 to 208			
M3 Occupational Safety and Health	Social Stewardship pages 176 to 182			
M4 Operational Excellence	Environmental Stewardship pages 148 to 149			
M5 Physical and Transition Climate Risks	Environmental Stewardship page 149 Climate-related Disclosures (Sustainability Statement) pages 228 to 239			
M6 Renewable Energy Transition	Environmental Stewardship pages 150 to 151			
M7 Energy Mix and Efficiency	Environmental Stewardship pages 152 to 155			
M8 GHG Emissions	Environmental Stewardship pages 155 to 160 Climate-related Disclosures (Sustainability Statement) pages 228 to 239			
M9 Stakeholder Management and Engagement	Social Stewardship pages 183 to 184 Stakeholder Engagement pages 136 to 143			
M10 Talent Management and Development	Social Stewardship pages 185 to 191			
M11 Human and Labour Rights	Social Stewardship pages 192 to 197			
M12 Waste Management and Effluents	Environmental Stewardship pages 161 to 163			
M13 Coal Ash Management	Environmental Stewardship pages 164 to 165 Impact Story: Energy pages 216 to 218			
M14 Grid Stability	Governance Stewardship page 209			
M15 Asset Life Cycle and Integrity	Environmental Stewardship pages 166 to 167			
M16 Supply Chain Management	Governance Stewardship pages 210 to 212			

Material Matter	Risks & Opportunities	Management Approach	Performance & Data	Key Initiatives
M17 Water Management	Environmental Stewardship pages 168 to 170			
M18 Technology and Innovation	Governance Stewardship pages 213 to 215			
M19 Community Impact	Social Stewardship pages 198 to 199			
M20 Biodiversity	Environmental Stewardship pages 171 to 173			

We will continue to review our materiality as stakeholder expectations, regulations and operating conditions evolve, while maintaining consistency and comparability in our disclosures YoY.

Guided by robust governance and stakeholder engagement, our approach to sustainability is embedded across the Group to support resilience, responsible growth and long-term value creation. This approach enables us to identify, prioritise, and manage the ESG matters most relevant to our business and stakeholders. The next section presents our Material Sustainability Priorities under the ESG Stewardships, detailing the 20 Material Matters identified, along with our risks and opportunities, performance, progress and review of how these matters are managed.

Notes for Readers

- Top Material Matters are those assessed as having the highest combined financial and/or impact materiality.
- Supporting Material Matters remain relevant to responsible operations and long-term resilience and are actively managed.
- Matters related to climate-related risks and opportunities are addressed in greater detail under Climate-related Disclosures (Sustainability Statement) to avoid duplication.
- Other Material Matters are disclosed under Our Sustainability Journey section.



STAKEHOLDER ENGAGEMENT

Malakoff recognises that long-term value creation is shaped not only by operational performance, but by the strength of its relationships with those who influence, enable and are impacted by its activities. Stakeholders are regarded as strategic partners, providing insight into expectations, emerging risks and evolving priorities. Engagement is conducted in a structured and deliberate manner to ensure stakeholder perspectives inform decision-making, strengthen accountability and support sustainable outcomes.

EMPLOYEES

Why We Engage

- Assessing the workplace environment and sentiment, identifying opportunities for continuous improvement.
- Establishing competitive compensation and benefits structures that attract, retain and nurture top talent.
- Aligning expectations, set clear objectives, define goals and provide constructive feedback.
- Cultivating a culture of recognition and appreciation, celebrating achievements to enhance morale.
- Encouraging collaboration and teamwork, fostering seamless idea exchange and alignment towards shared goals.

How We Engage

- Townhalls – R
- HR2U Day – A
- Intranet – O
- Newsletters – P
- Performance Appraisals – O
- Malakoff Talent Pulse Survey – A
- Employee Engagement Survey – Q
- Hari Raya Gathering – A
- Long-Term Service Awards – A
- Family Day – A
- Wellness Programmes – R

Value Created for Employees

- Offering attractive salaries and comprehensive benefits packages.
- Continuously refining and improving employee reward initiatives.
- Providing periodic feedback through a Balanced Scorecard approach.
- Enabling career progression within a rewarding and meritocratic work environment.
- Fostering teamwork and unity to achieve shared objectives.
- Ensuring that goals, objectives and performance expectations are clearly defined and communicated to employees.
- Boosting morale by acknowledging and appreciating employees' contributions and achievements.

Value Created for Malakoff

- Enhancing employee engagement, reducing turnover and driving productivity.
- Cultivating a positive workplace for better teamwork and business success.
- Driving meaningful contributions that align with and support business strategy.
- Promoting equity, diversity and inclusion to enrich workplace dynamics and innovation.

Key Concerns Raised

- Career growth and advancement.
- Work-life balance and flexibility.
- Access to wellness and mental health support.
- Acknowledging contributions to enhance motivation and engagement.
- Transparent and consistent communication between management and employees.

Risks

- Disengaged employees may seek opportunities elsewhere, leading to higher recruitment and training costs while disrupting workforce stability.
- Reduced motivation and engagement can negatively impact efficiency, innovation and overall organisational performance.
- Negative employee sentiment and dissatisfaction may damage Malakoff's employer brand, potentially affecting stakeholder confidence and the company's attractiveness to top talent.

Our Responses

- Launched upskilling and reskilling initiatives to empower employees with relevant skills, fostering career growth and job satisfaction.
- Partnered with healthcare providers to offer mental health support, enhancing overall employee well-being and resilience.
- Strengthened internal communication through management emails, newsletters and regular engagement sessions, keeping employees informed, engaged and aligned with organisational goals.
- Introduced several wellness initiatives, including the Malakoff Well-lympics Challenge, Zero MC Challenge, and the "Use the Stairs, Skip the Lift" campaign, aimed at promoting a healthier lifestyle and encouraging positive well-being among employees.

Opportunities

- A strong employee engagement strategy enhances Malakoff's reputation as an employer of choice, making it easier to recruit and retain high-calibre professionals.
- Motivated and engaged employees contribute fresh ideas and innovative solutions, fostering continuous improvement and organisational advancement.
- Extending engagement initiatives to local communities reinforces Malakoff's commitment to social responsibility, enhancing stakeholder trust and collaboration.

COMMUNITIES/GENERAL PUBLIC

Why We Engage

- Build credibility and gain community confidence.
- Increase engagement in community programmes for greater impact.
- Showcase the Group's businesses and their positive socioeconomic contributions.
- Prioritise the well-being and development of local communities.
- Respond to the growing demand for sustainable and environmentally friendly practices.

How We Engage

- Engagement sessions with local communities – Q
- CSR
- programmes – P
- Mainstream print and electronic media – O
- Social media – Facebook, Instagram, YouTube, LinkedIn, TikTok, X and company website – O
- Awareness/educational programmes related to ESG, energy and environmental solutions – O

Value Created for Communities/General Public

- Greater awareness on environmental issues and initiatives.
- Providing for a sustainable and safe environment.
- Incentives for recycling through reward points and cash.

Value Created for Malakoff

- Strengthening reputation as a responsible and sustainable organisation.
- Improving public understanding of Malakoff's environmental initiatives and long-term strategies.
- Increasing engagement in sustainability and environmental conservation.
- Achieving higher recycling participation and greater tonnage of recyclable materials.

Key Concerns Raised

- Environmental impact on our operations.
- Quality of services provided.
- Employment opportunities.

Risks

- Potential backlash from the public and media.
- Risk of inaccurate or misleading information reaching the public.
- Risk of over-disclosure during community engagement, potentially leading to unmet expectations.

Our Responses

- Engaged the public in sustainability initiatives.
- Organised outreach programmes to build trust and relationships.
- Increased awareness of recycling and waste recovery efforts.
- Implemented continuous improvement initiatives.
- Integrated electric vehicles, eco-friendly equipment and biodegradable materials into our operations to strengthen environmental sustainability.
- Shared ongoing initiatives in green energy, recycling and waste management through e-newsletters, social media and company websites.
- Offered jobs to support local communities.

Opportunities

- Enhancing environmental stewardship by investing in innovative green technologies and sustainable practices to further reduce operational impact.
- Leveraging partnerships with Governmental and Non-Governmental Organisations to drive collaborative sustainability efforts and enhance social impact.
- Increasing public engagement and education on sustainability, fostering long-term behavioural change and stronger stakeholder trust.

Frequency of Engagement: A Annually | P Periodically | Q Quarterly | R On Request | O Ongoing

SHAREHOLDERS/ANALYSTS/INVESTMENT COMMUNITY

Why We Engage

- Educate and raise awareness of the Group's business fundamentals to strengthen shareholder resilience and attract new or potential investors.
- Ensure transparent, timely and equitable communication on Malakoff's performance, strategy and risk profile.
- Communicate the Group's latest operational and financial performance, strategic direction, key initiatives and project roadmaps to ensure accurate market valuation and support sustainable growth.
- Address market perceptions and investor concerns proactively, particularly during periods of earnings volatility, operational developments or regulatory change.
- Create long-term value by generating dividends and capital gains, reinforcing investor trust and commitment.

Value Created for Shareholders/Analysts/ Investment Communities

- Ensuring investors have access to accurate and up-to-date information, enabling well-informed investment decisions.
- Strengthening investor confidence through clear, consistent and transparent disclosures, fostering sustainable growth and value creation.
- Gaining insights into the Malakoff's progress and prospects.
- Demonstrating Malakoff's commitment to sustainability by disclosing sustainability targets and enhancing its ESG score, from 3.3 in 2024 to 3.4 in 2025, based on the FTSE4Good Bursa Malaysia Index methodology.

How We Engage

- Quarterly analyst briefings — Q
- Conferences or summits hosted by research houses and financial institutions — P
- Site visits — R
- Group/One-to-one meetings with analysts (sell-side/ buy-side), fund managers and shareholders — O
- Annual General Meetings — A

Value Created for Malakoff

- Strengthening two-way dialogue between Malakoff and the investment community, ensuring alignment on expectations and business direction.
- Providing leadership with insights into investor sentiment, enabling strategic decision-making based on market expectations.
- Demonstrating positive feedback on Malakoff's energy transition efforts reinforces its commitment to sustainability and long-term relevance.
- Improving Malakoff's attractiveness to potential investors, positioning the company as a forward-thinking leader in the energy sector since Malakoff demonstrates a strong sustainability commitment.
- From a governance perspective, investor engagement reinforces Malakoff's commitment to good corporate governance and regulatory compliance.

Key Concerns Raised

- Malakoff's growth prospects and progress of new projects secured.
- Earnings visibility and financial performance where the key areas of concern include margin movements, cost pressures, earnings volatility and the impact of operational or external factors on near-term financial outcomes.
- Operational performance, including plant availability, unplanned outages and asset reliability as these directly affect capacity income and earnings stability.
- Introduction of a carbon pricing framework for the energy industry and its potential impact on Malakoff's earnings.
- Malakoff's ability to achieve key short- and long-term milestones on its path to net zero emissions by 2050.
- Clarity on Malakoff's energy transition pathway, sustainability commitments, climate-related risks and alignment with regulatory frameworks.
- Dividend sustainability, payout policy and alignment with cash flow generation as these key stakeholders regularly assess how capital is allocated between growth investments, debt management and shareholder returns.
- Share price performance relative to peers and the broader market, including valuation levels and liquidity.

Our Responses

- Hosted analysts and investors for plant and site visits to educate, raise awareness and provide progress updates.
- Maintained close oversight of coal inventories and fuel cost dynamics and communicated mitigation measures through investor engagements and briefings.
- Provided clarity on performance drivers, variances and outlook considerations, enabling stakeholders to better assess earnings quality and sustainability, in addition to granting them access to senior management, including the GCEO and CFO.
- Maintained a payout ratio of at least 70% of PATMI as per the company's dividend policy and demonstrated disciplined capital stewardship and clear communication of dividend policies.
- Maintained consistent communication on Malakoff's advancements in its ESG Roadmap, ensuring transparency and accountability in meeting sustainability targets.

SHAREHOLDERS/ANALYSTS/INVESTMENT COMMUNITY (continued)

Risks

- Absence of regular engagements increases the risk of misinterpretation of results, operational events or sustainability initiatives, leading to incorrect market assumptions and distorted perceptions of the Group's fundamentals.
- Lack of transparent and consistent engagement can undermine investor confidence as they are unable to access timely clarification or Management perspectives, trust in the Group's governance and disclosure practices may weaken, affecting long-term shareholder relationships.
- Without interaction, research houses may scale back or discontinue coverage, limiting their analysis of the Group. This can lower market visibility, impair liquidity and weaken price discovery.

Opportunities

- Increasing the frequency of direct interactions with the investment community to foster stronger relationships. This assists the investment community to gain deeper insights into Malakoff's performance while enabling Management to receive valuable feedback and perspectives from investors.
- Leveraging digital platforms and investor portals to ensure easy access to company updates, reports and strategic insights.
- Raising awareness on Malakoff's sustainability agenda and its direct correlation with business growth and financial performance, enabling better-informed investment decisions.
- Providing a broader scope of transparent reporting, ensuring stakeholders have a clear understanding of ESG initiatives and their impact on long-term value creation.

CUSTOMERS/CLIENTS

Why We Engage

- Foster trust and loyalty among clients and partners.
- Enhance business opportunities and market presence.
- Optimise service delivery to meet client expectations.
- Develop targeted strategies to effectively address client needs and challenges.

How We Engage

- Communication with sales personnel — P
- Site visits — P
- Sustainability Collaborations — O
- Memorandum of Understanding signings — P
- Launches and informal events — O
- Company website and social media — O
- Local and international conferences — A

Value Created for Customers/Clients

- Providing sustainable services using green equipment and Internet of Things (IoT).
- Technical experience and expertise.
- High level of customer/client experience.
- Using customer data to drive decisions and improve service quality.

Value Created for Malakoff

- Enhancing reputation and driving business growth.
- Fostering long-term partnerships and customer retention.
- Leveraging client feedback to improve services and build credibility.

Key Concerns Raised

- Customer/Client experience.
- Sustainability initiatives.
- Health, Safety and Environment (HSE).

Risks

- Shifts in legal frameworks and policies may impact marketing efforts and business strategies.
- Rising costs could affect operations, pricing and overall profitability.
- Misalignment in understanding the Group's mission may lead to stakeholder disengagement.
- Inaccurate or misleading information could erode trust and damage credibility.

Our Responses

- Collaborated with various companies to enhance kerbside recycling, managed recyclable waste including plastic, paper, used cooking oil and scrap, and streamlined public recycling efforts to promote waste reduction.
- Explored diverse RE solutions, including solar programmes such as the Corporate Green Power Programme, Self-Consumption and Net Energy Metering, as well as the development of EV charging stations and BESS.
- Ensured compliance with regulatory requirements set by the EC to meet stakeholder expectations.

Opportunities

- Contributing to economic growth through reliable energy and integrated waste management solutions.
- Expanding operations in areas that align with the Government's environmental and sustainability objectives.
- Opportunity for expanding new development projects for Electricity Distribution System (EDS) & District Cooling System (DCS) concessions outside of KL Sentral area.

Frequency of Engagement: A Annually | P Periodically | Q Quarterly | R On Request | O Ongoing

GOVERNMENT

Why We Engage

- Foster collaboration and trust with key authorities.
- Gain insights into new policies, regulatory frameworks and compliance requirements.
- Promote cooperative initiatives that drive mutual benefits and sustainable progress.

How We Engage

- On-ground collaborations – P
- Face-to-face meetings – P
- Participation in Government/public programmes – P
- Corporate events – P

Value Created for the Government

- Driving economic growth by attracting investments and expanding clean and RE industries.
- Supporting expansion of clean gas-fired power plants, ensuring grid stability, energy security and reliability.
- Supporting grid reliability by complementing large-scale RE growth with flexible and cleaner gas assets, in line with Malaysia's "dual transition" strategy for energy security and decarbonisation.
- Providing sustainable solutions to local waste challenges, improving urban cleanliness and reducing health risks.
- Enabling the Government to leverage corporate expertise in achieving key national targets.
- Supporting national sustainability goals through secure electricity supply and effective waste management.
- Assisting the Government in scaling solar, WTE, hydro and other RE technologies via industry partnerships, including participation in the LSS PETRA 5+ programme, rooftop PV programmes and green-technology incentives.

Value Created for Malakoff

- Enhancing credibility among key ministries (PETRA, NRES, UKAS, DBKL, PPJ) through active participation in major 2025 national initiatives.
- Showcasing commitment to sustainability by aligning with national and global environmental goals.

Key Concerns Raised

- Community sensitivities related to rapid expansion of solar farms and WTE facilities, especially near residential areas.
- Compliance with laws and regulations.
- Management of environmental issues.

Our Responses

- Adhered to all national laws and industry standards.
- Actively supported the Government's long-term sustainability targets.
- Promoted environmental responsibility through awareness programmes.

Risks

- Being unprepared for sudden changes in government policies.
- Increased expenses associated with government policy measures and regulatory adjustments.
- Exposure to regulatory changes as Malaysia updates RE targets, NEM structure and transition incentives, shifting from subsidies to market-based mechanisms.
- Inflationary pressure on project capital expenditure (CAPEX) and technology costs remains a challenge, especially for large-scale RE and WTE infrastructure.

Opportunities

- Contributing to economic growth through reliable energy and integrated waste management solutions.
- Expanding operations in areas that align with the Government's environmental and sustainability objectives.
- Strengthening role in national economic development through job creation, rural infrastructure support and environmental solutions aligned with the NETR.

RATING AGENCIES AND FINANCIAL INSTITUTIONS

Why We Engage

- Obtain funding for working capital, CAPEX and business expansion.
- Achieve optimal ratings for new *sukuk* issuances and uphold strong ratings for existing *sukuks*.

How We Engage

- Virtual and physical meetings – P
- Engagement sessions with rating agencies and financial institutions – O
- Surveys/Questionnaires on credit rating – P

Value Created for Rating Agencies and Financial Institutions

- Ensuring the ability to meet loan and borrowing obligations, including principal, interest and covenant compliance.
- Complying with green and sustainable financing requirements.

Value Created for Malakoff

- Successfully raised funds for business expansion and CAPEX needs
- Upholding strong ratings for existing *sukuks* while obtaining favourable ratings for new issuances.
- Strengthening investor confidence and reputation through commitment to ESG principles.

Key Concerns Raised

- Unscheduled outage affecting financial performance, insurance claims, Applicable Coal Price losses, repair costs and credit rating stability.
- Meeting financial covenants such as Finance Service Cover Ratio.
- Ensuring liquidity for operations and future investments.
- Strategic plans in response to expiring PPAs.
- Progress towards achieving net zero emissions by 2050.

Our Responses

- Ensured adherence to all financial requirements, preserving the company's credit rating.
- Managed liquidity effectively to sustain financial commitments .
- Diversified business portfolio to offset potential revenue loss from expiring PPAs.
- Continued executing initiatives aligned with Malakoff's net zero carbon emissions aspirations.

Risks

- Potential inability to meet financial institution covenants and repayment obligations.
- Risk of losing favourable credit ratings.

Opportunities

- Strengthening sustainability efforts to improve Malakoff's market perception and facilitate access to new financing and refinancing at better rates.

Frequency of Engagement: A Annually | P Periodically | Q Quarterly | R On Request | O Ongoing

CONTRACTORS AND VENDORS

Why We Engage

- Collaborate with contractors and vendors to maintain seamless operations and cost efficiency.
- Strengthen oversight to minimise supply chain disruptions and manage contractor-related risks effectively.

How We Engage

- Efficient procurement process — Q
- Vendor engagement sessions — A
- Face-to-face and online meetings — R
- Site visits — P
- Advertisements — P

Value Created for Contractors and Vendors

- Maintaining high standards of integrity, transparency and ethical business conduct.
- Providing updates on company policies and insights from regulatory bodies such as the Malaysian Anti-Corruption Commission (MACC).
- Ensuring impartial, confidential and integrity-driven business transactions.

Value Created for Malakoff

- Secured reliable partners to uphold quality, safety, sustainability and cost efficiency.
- Enhanced management of complex supply chain relationships for seamless operations.

Key Concerns Raised

- Supply chain disruptions.
- Integrity and ethics in ensuring impartial and transparent procurement practices.
- Increased cost of operations due to increased procurement costs.

Our Responses

- Evaluated and monitored vendor capabilities to ensure quality and reliability.
- Implemented Anti-Bribery Management System and a Vendor Code of Conduct to uphold transparency.
- Facilitated knowledge-sharing sessions and collected vendor feedback.
- Ensured vendors met quality and compliance standards before awarding.

Risks

- Bribery by contractors and vendor to gain approval on sub-standard or non-compliance workmanship.
- Bribery to leak or gain confidential procurement/ material information.
- Failure to execute the procurement process based on allocated time.

Opportunities

- Contributing to economic growth through reliable energy and integrated waste management solutions.
- Expanding operations in areas that align with the Government's environmental and sustainability objectives.



Ongoing stakeholder engagement with contractors and vendors reflects Malakoff's commitment to transparent communication, shared responsibility and long-term value creation.

MEDIA

Why We Engage

- Leverage media to communicate precise and transparent updates to stakeholders and the public.
- Strengthen Malakoff's presence and positioning in the industry.
- Build trust and confidence among shareholders, stakeholders and the public.

How We Engage

- Media engagement/networking sessions — Q
- Festive greetings — A
- Media events (casual and sporting events) — P
- Media advertorials and news coverage spots — R
- Awareness programmes - Malakoff Amazing Hunt — A

Value Created for Media

- Providing accurate and timely disclosures to support responsible journalism.
- Addressing media concerns with clarity and integrity.
- Ensuring stakeholders, shareholders and the public receive accurate and reliable updates.

Value Created for Malakoff

- Strengthened media presence and public awareness.
- Built credibility and reinforce Malakoff's industry leadership.
- Developed a strong media engagement strategy to manage perceptions and narratives.

Key Concerns Raised

- Update on business portfolio/strategies.
- ESG concerns.
- Governance.
- Leadership.
- Business partnerships.
- Financial performance.

Our Responses

- Shared accurate and timely information with shareholders, stakeholders and the public.
- Issued fact sheets, statements, press conferences and media briefings to ensure clarity.
- Communicated current business strategies, financial and non-financial achievements, and collaborative initiatives.

Risks

- Inaccurate reporting may misrepresent Malakoff's position and initiatives.
- Negative comments and online narratives could impact public perception.

Opportunities

- Enhancing public perception via awareness of Malakoff as a comprehensive, one-stop Energy and Environmental Solutions provider.



Connecting with media partners to share Malakoff's milestones and progress.

Frequency of Engagement: A Annually | P Periodically | Q Quarterly | R On Request | O Ongoing

OUR MATERIAL SUSTAINABILITY PRIORITIES



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OUR MATERIAL SUSTAINABILITY MATTERS PERFORMANCE AT A GLANCE

Building on the materiality assessment outlined in the Our Approach To Sustainability section, 20 Material Sustainability Matters that are most relevant to long-term value creation and stakeholder expectations were identified.

The following diagramme features an at-a-glance overview of the YoY performance across these Material Matters, indicating areas of improvement, stability or lagged performance compared with the previous year. Designed as a navigational entry point, it allows readers to quickly understand key performance trends before referring to the ESG Stewardship sections, where each Material Matter is explained in greater detail.

YOY PERFORMANCE

M1 **Good Governance and Corporate Integrity** Operations assessed for risks related to corruption	M2 **Regulatory Compliance** Highly compliance with environmental laws and regulations	M3 **Occupational Safety and Health** Health and safety performance (Lost Time Incident Rate)	M4 **Operational Excellence** Maintaining ISO certification for certain aspects of operations
M8 **GHG Emissions** GHG emissions intensity for Energy business	M7 **Energy Mix and Efficiency** Total energy consumption	M6 **RE Transition** Grow RE capacity to achieve 1,400 MW by 2031	M5 **Physical and Transition Climate Risks** Assessment of Physical and Transition Climate Risks
M9 **Stakeholder Management and Engagement** Economic value distributed to stakeholders	M10 **Talent Management and Development** Investment for employee training and development	M11 **Human and Labour Rights** Commitment to human rights and fair labour practices	M12 **Waste Management and Effluents** Total waste diverted from disposal
M16 **Supply Chain Management** Procurement budget channeled to local vendors	M15 **Asset Life Cycle and Integrity** Extension of asset life cycle	M14 **Grid Stability** Response to real-time energy demands	M13 **Coal Ash Management** Total coal ash recycled and diverted from landfill
M17 **Water Management** Water consumption and seawater withdrawal	M18 **Technology and Innovation** Breaches of customer privacy or losses of data	M19 **Community Impact** Total amount invested for the community	M20 **Biodiversity** Environmental monitoring at our operations

Improved performance | Stable performance | Lagged performance

ENVIRONMENTAL STEWARDSHIP

TRANSITIONING TO A CLEAN ENERGY AND CIRCULAR ECONOMY FUTURE

We are committed to taking meaningful action on climate change by reducing our carbon emissions and supporting the transition to a clean energy and circular economy future. We recognise that strong environmental performance underpins our long-term resilience, value creation and licence to operate. As our business faces both the physical impacts of climate change and the global shift toward a low-carbon, resource-efficient economy, we are focused on minimising our environmental footprint, enhancing operational resilience and supporting the transition to a cleaner energy and circular economy future.

ENVIRONMENTAL STEWARDSHIP HIGHLIGHTS

***Profit Contribution** from **RE & Environmental Solutions increased by 6.2% to RM95.6 million in FY2025** (2024: RM90.0 million)

RE Projects in the pipeline expected to **avoid** approximately **1 million tCO_2e** annually upon COD

Equivalent to approximately 18 million mature trees

Diverted **6,826 tonnes of waste** from landfill through **recycling** by Alam Flora

Made significant **55% progress** towards **RE 1,400 MW target** by 2031 (2024 progress: 173 MW)

Introduced Scope 3, **Category 4: Upstream Transportation** and **Distribution (Coal Transportation)** to our GHG Emissions Inventory

Improved **GHG Emissions** and **Energy Reporting Transparency** under the **financial control approach**

Carbon Avoidance from current **LSS Johor and C&I Rooftop Solar** projects of **47,188 tCO_2e**

Enabled circular use of **579,367 tonnes of coal ash**, diverting it from landfill for construction materials

*The Group aims to increase profit contribution from RE and Environmental Solutions to at least 50% by 2031 as part of its sustainability targets. Progress towards the 2031 target will be assessed based on sustained, normalised growth in RE and Environmental Solutions profitability, alongside the normalised profit performance of the thermal portfolio.

OUR APPROACH

Malakoff's approach to environmental stewardship is anchored in Malaysia's national sustainability and energy transition agenda. Our transition towards clean energy solutions is guided by the NEP, the NETR and the MyRER, while our circular economy initiatives are aligned with the National Circular Economy Framework Malaysia. These national frameworks provide strategic direction for balancing energy security, affordability and environmental sustainability as the energy landscape evolves.

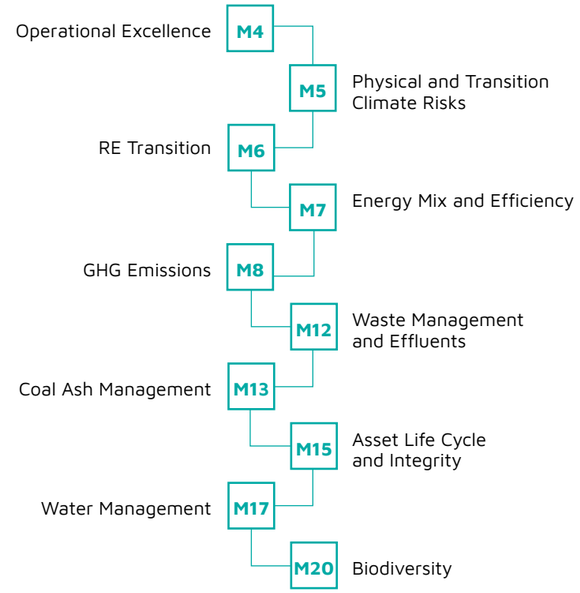
At the operational level, all Malakoff activities are governed by our Environmental Policy, which serves as the cornerstone of our environmental management approach. The Policy is aligned with the Malaysian Environmental Quality Act (EQA) 1974, other applicable environmental regulations, and is consistent with the requirements of ISO 14001 Environmental Management Systems. It establishes a clear and structured framework for integrating environmental considerations into daily operations, planning processes and decision-making across the Group.

Through this Policy, we embed environmental responsibility across the full life cycle of our activities, including resource use, emissions management, waste management and pollution prevention. It also supports a culture of accountability and continuous improvement, ensuring that environmental risks and impacts are identified, managed and mitigated in a systematic manner.

The Environmental Policy is accessible to all employees via our intranet and is reinforced through internal procedures, awareness programmes and management oversight. Together, these measures enable Malakoff to operate responsibly, maintain regulatory compliance and support our long-term transition towards more sustainable and resilient operations.

MATERIAL ENVIRONMENTAL MATTERS

Our environmental priorities focus on areas that are most material to our operations, stakeholders and financial performance. These include GHG emissions, improving energy efficiency, expanding RE and strengthening waste, water and biodiversity management across our assets. We also emphasise asset life cycle and integrity, and operational excellence to minimise environmental risks and ensure compliance with regulatory and stakeholder expectations.



The following section sets out Malakoff's Material Environmental Matters under Environmental Stewardship, as identified through our materiality assessment.



M4 OPERATIONAL EXCELLENCE

Why It Matters

Operational excellence underpins Malakoff's ability to deliver reliable, efficient and cost-effective performance across its Energy and Environmental Solutions businesses. As the Group navigates an evolving energy landscape, strong operational performance supports decarbonisation, portfolio diversification, disciplined capital allocation and regulatory compliance, while safeguarding asset reliability and long-term value.

Risks

Failure to achieve targeted operational performance may result in increased unplanned downtime, higher maintenance costs and reduced productivity.

Opportunities

Strong operational performance enhances asset availability, reduces operating costs and supports consistent delivery against performance KPIs across the Group.

Management Approach

Strategy
Operational excellence is driven through continuous improvement, clear performance baselines and the disciplined application of technology and process optimisation. Efficiency is a key focus area, enabling the Group to identify improvement opportunities and deliver targeted outcomes across operations.

Risk and Compliance Management
Operational risks are managed through established governance frameworks, regulatory compliance processes and certified management systems, ensuring adherence to safety, environmental and quality standards.

Performance Monitoring
Key operational metrics are tracked regularly to improve efficiency, reliability and asset performance. Performance assessments enable timely interventions and support sustained competitiveness.

Technology and Process Improvement
Digital tools and automation enable real-time monitoring, data-driven decision-making and proactive risk management. Continuous business process improvement ensures policies and procedures remain aligned with standards and regulatory requirements.

Management Systems
Certain aspects of our operations have met the standards required for ISO certification, namely:
- ISO 14001:2015 Environmental Management Systems.
- ISO 9001:2015 Quality Management Systems.
- ISO 45001:2018 Occupational Health and Safety Management Systems.

Furthermore, Malakoff's Environmental Policy, which is aligned with the Malaysian EQA 1974 and other relevant regulations, continues to guide us in our operations. The Policy is accessible to all employees on our intranet.

For additional information, please refer to Business Review on pages 94 to 126.

In 2025, various initiatives were carried out at Malakoff's operations:

For Energy business, please refer to Business Review on pages 96 to 113.

For Environmental Solutions business, please refer to Business Review on pages 114 to 126.

Performance and Outcomes

Energy
Malakoff strengthened its alignment with Malaysia's low-carbon agenda by expanding its RE capacity to **766 MW**, increasing from **173 MW in 2024**, thereby supporting the nation's transition toward a greener energy mix.

For more information on our operational overview and achievements in Energy, please refer to pages 96 to 113.

Environmental Solutions
Operational excellence initiatives:
- Incentive Compactor Rewards for Effort & Work Excellence (C.R.E.W.) **reduced maintenance costs by 36%** year-on-year with **45 times return on incentive;** and
- The *Hero Gaya Kerja* initiative achieved **over 89% public satisfaction**, with **30%** of the internal workforce recognised as **Alam Flora Heroes**.

For more information on these initiatives under Environmental Solutions, please refer to the Impact Story: Environmental Solutions on pages 219 to 221.

As a result, our Thermal plants (TBPP, SEV and PPP) achieved full compliance with environmental laws and regulations in FY2025, while TBEPP demonstrated high overall compliance exceeding 98% with the Environmental Quality (Clean Air) Regulations 2014 (CAR2014) requirements for FY2025. The Environmental Solutions business achieved operational excellence through its two initiatives, the C.R.E.W. and *Hero Gaya Kerja,* delivering tangible benefits for communities.

Looking Ahead

Looking ahead, Malakoff will intensify its focus on operational efficiency as the cornerstone of operational excellence, ensuring that both business pillars are positioned to support the Group's interim emissions intensity target and long-term net zero 2050 commitment.

The Energy business will continue to expand its RE portfolio while driving greater efficiency, performance optimisation and asset reliability across its operations.

Concurrently, the Environmental Solutions business will be strengthened through balanced growth across concession and non-concession activities, improving service efficiency and contributing to a cleaner, healthier environment.

M5 PHYSICAL AND TRANSITION CLIMATE RISKS

Climate change presents significant physical and transition risks to Malakoff's operations, assets and the communities we serve. Physical risks, including extreme weather events, rising temperatures and sea level rise, have the potential to disrupt infrastructure, affect asset reliability and impact supply chains. Transition risks arising from regulatory developments, policy shifts and increasing market preference for low-carbon solutions may also influence our business model, investment decisions and financial performance.

Addressing these interconnected risks is essential to maintaining the resilience and sustainability of the Group.

For the IAR 2025, Malakoff embarked on the embedding of IFRS S2 Climate-related Disclosures, strengthening our approach to identifying, assessing and managing climate-related risks and opportunities in a structured and transparent manner.

Further details on our Governance, Strategy, Risk Management and Metrics and Targets related to climate change are set out in Climate-related Disclosures (Sustainability Statement) on pages 228 to 239.

M6 RENEWABLE ENERGY TRANSITION

Why It Matters

Malakoff aims to achieve net zero emissions by 2050 and is advancing this ambition through the expansion of RE and improved operational efficiency. By increasing RE integration across our portfolio and optimising electricity consumption at our plants, we seek to reduce our carbon footprint, strengthen energy security and support Malaysia's transition towards a low-carbon energy system.

Role of RE Generation in Reducing Emissions Intensity

The expansion of Malakoff's RE generation portfolio supports emissions intensity reduction over the interim and long-term, aligned with the phased execution of its ongoing and developing projects.

Over the interim period, as committed RE projects progress from development to operation, the increasing contribution of RE generation will structurally shift the Group's generation mix towards lower emissions sources, delivering sustained reductions in average emissions intensity and supporting achievement of the interim emissions intensity target. This impact is further reinforced by the complementary effect of ongoing operational efficiency improvements across existing assets. In the long-term, continued scaling of RE generation enables a fundamental reduction in portfolio-wide emissions intensity, supporting a managed transition towards a low-carbon energy portfolio aligned with Malakoff's net zero 2050 ambition.

Risks

High upfront capital requirements and execution challenges associated with acquiring and developing RE assets.

Opportunities

Accelerating our RE transition creates opportunities to lower emissions and carbon-related costs, generate Renewable Energy Certificates (RECs) and potential carbon credits, and enhance access to green and sustainability-linked financing.

Management Approach

Our RE initiatives are guided by the MyRER and aligned with national targets to achieve 31% RE capacity by 2025 and 40% by 2035. These efforts are reinforced by the Group's Sustainability Framework, which identifies climate action and resource efficiency as among the priority focus areas shaping our long-term approach.

As part of Malaysia's NETR, Malakoff plays an active role in supporting energy transition initiatives, including biomass projects. The Group is working towards a target of achieving 1,400 MW of RE capacity by 2031, underscoring our commitment to accelerating the shift towards cleaner energy solutions.

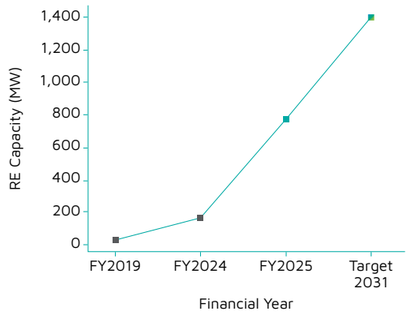
Performance and Outcomes

Secured **LSS projects in Perak and Sarawak** with a total capacity of **570 MW**	Continued to progress installation of **C&I rooftop solar** of up to **61 MW**
5,677.25 RECs issued and sold, helping clients to **offset Scope 2 emissions** of approximately **4,200 tCO_2e**	Progress on track for **small hydropower plants in Kelantan** COD in 2027
Successfully carried out testing of **2% biomass co-firing** at TBPP under the NETR in 2024	Continued generating solar power through **community-centric solar initiative** at Masjid Saidina Umar Alkhattab in Bukit Damansara, Kuala Lumpur
Secured our **first WTE** project in Sg. Udang, Melaka	
Actively generating solar power at **29 MW LSS Johor** through ZEC Solar, **avoiding 26,819 tCO_2e emissions** in 2025	

For more business initiatives under RE, please refer to Business Review pages 101 to 107.

Progress Against Targets

Malakoff RE Capacity Growth Progress Towards 2031 Target



Malakoff is making steady progress towards its target of 1,400 MW of RE capacity by 2031. Since FY2019, the Group's RE capacity has expanded significantly from 29 MW to 173 MW in FY2024, with a substantial acceleration in growth to 766 MW in FY2025, reflecting the continued execution of its RE expansion strategy.

Current RE Portfolio

Total Generation Capacity 766 MW

61 MW **C&I Rooftoop Solar** Across Peninsular Malaysia	**29 MW** **LSS Johor (ZEC Solar)** Kota Tinggi, Johor
84 MW **Small Hydropower** Kuala Geris, Kemubu and Serasa, Kelantan	**22 MW** **WTE** Sungai Udang, Melaka
470 MW **LSS PETRA 5+ Perak** Larut and Matang, Perak	**100 MW** **LSS Sarawak** Bintulu, Sarawak



Harnessing RE at Johor Port to support greener port operations.

Looking Ahead

Building on the significant expansion of its RE portfolio in FY2025, including projects at various stages of development, Malakoff has demonstrated its capability to initiate, structure and advance RE projects for execution. As the Group progresses towards its 1,400 MW RE capacity target by 2031, it will continue to prioritise innovation, strategic partnerships and disciplined capital deployment to move the committed projects through to execution. Malakoff will also remain focused on active stakeholder engagement, supporting policy development and adopting emerging technologies, while upholding high standards of transparency, accountability and environmental stewardship in delivering a cleaner and more resilient energy future.

M7 ENERGY MIX AND EFFICIENCY

Why It Matters

Energy mix and operational efficiency are central to Malakoff's ability to deliver reliable and affordable energy while supporting a just transition towards a low-carbon future. How effectively the Group manages its assets and evolves its generation mix over time directly influences operational resilience, cost efficiency and long-term sustainability.

A diversified energy mix, guided by national transition pathways such as the NETR and supported by the continued development of RE capacity, strengthens portfolio resilience and system reliability. While these initiatives are being progressively implemented, continuous improvements in operational efficiency across existing assets ensure responsible and efficient energy production during the transition period.

Over the long-term, sustained improvements in energy mix and efficiency support a measured and credible transition, enabling Malakoff to manage transition risks practically, remain competitive and contribute meaningfully to national energy and decarbonisation objectives.

Risks

Fluctuations in energy prices, particularly for fossil fuels, may impact operational costs and profitability. In addition, concentration or reliance on specific energy sources could expose the Group to vulnerabilities arising from supply chain disruptions, regulatory changes or market volatility, potentially affecting operational stability.

Opportunities

Investment in RE presents opportunities to diversify the energy mix, enhance long-term sustainability and reduce exposure to fuel price volatility. Over time, a growing RE portfolio can also support more stable operating costs, strengthen resilience and position the Group to capture value from the evolving low-carbon energy landscape.

Management Approach

For FY2025 reporting, Malakoff applies the financial control approach in tracking and monitoring energy consumption. Under this approach, energy consumption is accounted based on the Group's level of financial control and economic interest in each operation and asset ensuring consistency with the boundary applied for the calculation and reporting of the Group's GHG emissions, as set out in the GHG Emissions section of this Sustainability Statement.

This approach provides a more aligned and representative view of Malakoff's operational footprint, supporting coherent monitoring of energy use and emissions across the portfolio. It also enhances consistency, comparability and transparency in reporting, particularly as the Group's asset base continues to evolve across both Energy and Environmental Solutions businesses.



Contributing to a balanced energy mix, Tanjung Bin Energy Power Plant emphasises operational efficiency and dependable base load generation.

Performance and Outcomes

Energy Consumption Data for Energy Business

Across the Group's operations, we tracked fuel and electricity consumption as follows:

Type of Energy	Unit	2023[1]	2024[1]	2025
FUEL (NON-RENEWABLE)[2]				
Coal	GJ	187,828,584	207,034,886	**188,369,797**
Light Fuel Oil (LFO)	GJ	323,602	253,418	**209,340**
Natural Gas	GJ	8,291,997	26,028,019*	**7,618,991**
Distillate	GJ	734,421	449,544	**1,746,745**
Vehicle Fuel Consumption	GJ	2,189	1,831	**1,474**
Total Fuel (Non-Renewable)	GJ	197,180,793	233,767,697	**197,946,347**
Total Fuel (Non-Renewable)[3]	MWh	54,816,260	64,987,420	**55,029,084**
FUEL (RENEWABLE)[2]				
Biomass[4]	GJ	N/A	94,223	**-**
Total Fuel (Renewable)[3]	MWh	N/A	26,194	**-**
Total Fuel Consumption (Non-Renewable & Renewable)	GJ	197,180,793	233,861,920	**197,946,347**
	MW	54,816,260	65,013,614	**55,029,084**
ELECTRICITY CONSUMPTION				
TBPP	MWh	25,795	17,742	**17,300**
TBEPP	MWh	8,812	5,111	**7,413**
SEV	MWh	14,023	8,521	**12,140**
PPP	MWh	23,087	16,977	**17,667**
MUSB	MWh	34,453	34,836	**34,864**
KLHQ	MWh	575	495	**462**
Total Electricity Consumption	MWh	106,744	83,683	**89,847**
TOTAL ENERGY CONSUMPTION[5]	**MWh**	**54,923,005**	**65,097,297**	**55,118,932**

* Natural gas consumption in FY2024 was higher primarily due to higher operational demand for gas-fired generation during the year.

Energy Consumption Data for Environmental Solutions Business

Type of Energy	Unit	2023[1]	2024[1]	2025
FUEL (NON-RENEWABLE)[2]				
Fuel Consumption (Diesel)	GJ	177,791	156,640	**172,701**
Fuel Consumption (Petrol)	GJ	6,424	7,206	**6,796**
Total Fuel (Non-Renewable)	GJ	184,215	163,845	**179,497**
Total Fuel (Non-Renewable)[3]	MWh	51,212	45,549	**49,900**
ELECTRICITY CONSUMPTION				
Concession	MWh	1,001	1,084	**1,133**
Non-Concession	MWh	1,401	3,594	**2,871**
Total Electricity Consumption	MWh	2,403	4,678	**4,004**
TOTAL ENERGY CONSUMPTION	**MWh**	**53,615**	**50,227**	**53,904**

Notes:

[1] Energy consumption data for FY2023 and FY2024 have been restated to align with the financial approach adopted in FY2025 and to enhance comparability across reporting periods.

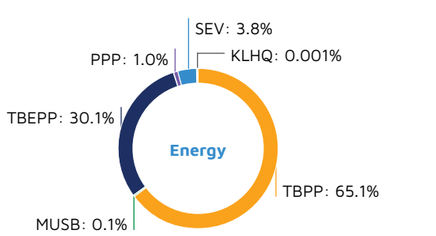
[2] Fuel consumption data are reported in gigajoules (GJ) and have been converted from the original units of tonnes or litres using standard conversion factors.

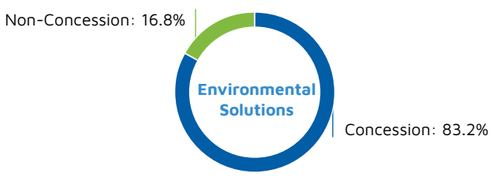
[3] Total fuel consumption has been converted from GJ to megawatt-hours (MWh) using standard conversion factors.

[4] Biomass consumption recorded was for the pilot phase of 2% biomass co-firing at TBPP in FY2024.

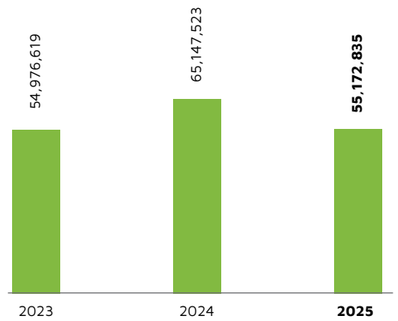
[5] ZEC Solar and TJZ Suria fall within the Group's financial control boundary upon its full acquisition on 31 January 2025. The entities were temporarily excluded from FY2025 energy consumption data due to incomplete data governance and validation processes, and will be progressively included in future reporting cycles.

Breakdown of Energy Consumption by Site





Total Energy Consumption (MWh)



Our total energy consumption in FY2025 decreased by 15%, primarily due to lower overall fuel consumption. This reduction was mainly driven by an outage at TBEPP and the normalisation of gas plant output following higher baseload operations in FY2024.

For more details on our gross energy produced and emissions intensity, please refer to Climate-related Disclosures (Sustainability Statement) under Metrics and Targets on pages 237 to 239.

Looking Ahead

To support industry progress and the sustainable management of energy consumption, Malakoff prioritises active collaboration with key stakeholders, particularly relevant authorities and regulators overseeing fuel supply within the power sector. These engagements enable the Group to remain aligned with evolving policy, market and system requirements while supporting responsible and efficient energy use.

As part of its transition efforts, Malakoff continues to evaluate biomass co-firing as a potential alternative renewable fuel, which could provide a cleaner and more diversified fuel mix for its plants at the Tanjung Bin Complex, subject to technical, regulatory and commercial viability.

In parallel, the Group continuously assesses new investment opportunities, taking into account targeted dispatch strategies, fuel price dynamics and market conditions to optimise generation revenue. Equally important is ensuring that Malakoff's assets and operations remain flexible and adaptable to evolving system and dispatch requirements, enabling efficient, reliable and responsive power generation.

M8 GHG EMISSIONS

Why It Matters

The energy sector remains the leading contributor to climate change, with CO_2 emissions from fuel combustion being a primary driver. Despite global mitigation efforts, emissions continue to rise at an unsustainable rate.

Malaysia contributes approximately 0.7% of global CO_2 emissions from fuel combustion, with total emissions reaching 252.478 $MtCO_2$ in 2023[1]. Over the past two decades, emissions from fuel combustion in Malaysia have surged by 119% (2000-2023), reflecting the nation's growing energy demands and reliance on fossil fuels[2]. This context underscores the urgent need for proactive climate action, particularly within the energy sector.

As a major industry player, Malakoff is well positioned to drive meaningful change. Being Malaysia's largest IPP, we are committed to reducing our GHG emissions through continuous investments in RE and energy efficiency initiatives, aligned with national and global climate commitments.

These actions help mitigate climate-related risks, including potential carbon pricing exposure and financing constraints, while strengthening our brand reputation and access to green financing. Beyond risk management, our emission reduction efforts generate broader socioeconomic benefits by supporting cleaner energy development and contributing to more resilient communities.

[1] [2] Source: The International Energy Agency (IEA) https://www.iea.org/countries/malaysia/emissions

Risks

Higher carbon emissions increase exposure to transition risks, including potential carbon pricing mechanisms and tighter regulatory requirements. These factors may also affect access to capital, as lenders and investors increasingly integrate climate performance into financing decisions.

Opportunities

Proactive emissions reduction strengthens Malakoff's sustainability credentials, enhances brand value and positions the Group to mitigate potential carbon cost exposure. These efforts also improve access to green and sustainability-linked financing, while supporting positive socioeconomic outcomes through cleaner energy solutions for local communities.

Management Approach

Understanding Our GHG Emissions | Organisational Boundaries

Historically, Malakoff applied the equity share approach, where Malakoff reports GHG emissions only from entities where we hold 51% or more equity ownership, with emissions attributed based on proportionate equity interest. This ensures emissions reporting reflects the Group's true economic exposure and accountability, without overstating emissions from assets outside its economic control. However, from FY2025, the Group has adopted the financial control approach to closely align with its financial reporting boundary and governance structure. Malakoff's approach to measuring and managing GHG emissions is further elaborated in the Climate-related Disclosures (Sustainability Statement) under the GHG Emissions Reporting Boundary on page 230.

The Group has also restated its base year emissions intensity and aligned its emissions intensity target following the adoption of the financial control approach, which is further clarified in the Climate-related Disclosures (Sustainability Statement) under Metrics and Targets on pages 237 to 239.

Understanding Our GHG Emissions | Operational Boundaries

The Group tracks and reports GHG emissions for the following categories:



Scope 3

- Category 4: Upstream Transportation and Distribution (Coal Transportation)
- Category 6: Business Travel
- Category 7: Employee Commuting

Scope 1

- Coal
- LFO
- Natural Gas
- Distillate
- Biomass
- Vehicle Fuel

Scope 2

- Purchased Electricity

Upstream Indirect Emissions | **Direct Emissions** | **Indirect Emissions**

CO_2 Carbon Dioxide
CH_4 Methane
N_2O Nitrous Oxide
HFCs Hydrofluorocarbons
PFCs Perfluorocarbons
SF_6 Sulphur Hexafluoride
NF_3 Nitrogen Trifluoride

Methodology, Inputs and Key Assumptions

The methodology, inputs and key assumptions applied are as follows:

Scope	Measurement Approach	Inputs	Assumptions	Reasons for Measurement Approach, Inputs and Assumptions	Changes to Measurement Approach, Inputs and Assumptions in the Reporting Period
Scope 1	Refer to the Climate-related Disclosures (Sustainability Statement) under Metrics and Targets pages 237 to 239 for methodology, inputs and assumptions for Scope 1.				
Scope 2	Refer to the Climate-related Disclosures (Sustainability Statement) under Metrics and Targets pages 237 to 239 for methodology, inputs and assumptions for Scope 2.				
Scope 3, Category 4	Distance-based method.	Fuel purchase receipts.	Average emission factors from the United Kingdom Department for Energy Security and net zero (UK DESNZ).	UK DESNZ provides comprehensive list of emission factors for freighting goods.	Latest emission factors applied in 2025.
Scope 3, Category 6	Distance-based method.	Air travel, hotel accommodation and vehicle mileage claims data.	No significant changes in employee profile and organisation structure since 2024.	UK DESNZ provides a comprehensive list of emission factors for fuel combustion, modes of transport for employee commuting and hotel stay.	Latest emission factors applied in the current year.
Scope 3, Category 7	Distance-based method and average-data method.	Employee Commuting Survey 2024 & 2025.	Average emission factors from UK DESNZ.		



Performance and Outcomes

GHG Emissions Data Summary for Energy Business

Carbon Emissions	Unit	2023	2024	2025
SCOPE 1[1]				
Coal[2]	tCO_2e	17,356,263	19,028,476	**17,552,583**
LFO[2]	tCO_2e	19,326	19,188	**15,851**
Natural Gas[3]	tCO_2e	249,584	1,315,448	**385,061**
Distillate[3]	tCO_2e	40,553	34,039	**132,260**
Vehicle Fuel Consumption	tCO_2e	151	126	**101**
Biomass[4]	tCO_2e	N/A	173	**-**
Total Scope 1	tCO_2e	17,665,876	20,397,450	**18,085,857**
SCOPE 2[1]				
Purchased Electricity (Plants)	tCO_2e	54,361	37,424	**40,345**
Purchased Electricity (MUSB)	tCO_2e	26,115	26,963	**25,800**
Purchased Electricity (KLHQ)	tCO_2e	436	383	**342**
Total Scope 2	tCO_2e	80,912	64,770	**66,487**
SCOPE 3				
Category 4: Upstream Transportation and Distribution (Coal Transportation)[5]	tCO_2e	N/A	N/A	**170,446**
Category 6: Business Travel[6]	tCO_2e	N/A	769	**848**
Category 7: Employee Commuting[7]	tCO_2e	N/A	352	**1,865**
Total Scope 3	tCO_2e	N/A	1,121	**173,158**
Total Absolute Emissions	**tCO_2e**	**17,746,788**	**20,463,341**	**18,325,502**
Biogenic CO_2 Emissions[8]		N/A	8,951	**-**

Notes:

1 ZEC Solar and TJZ Suria fall within the Group's financial control boundary but were temporarily excluded from FY2025 Scope 1 and Scope 2 emissions due to incomplete data governance and validation processes; these entities will be progressively included in future reporting cycles. Please refer to page 237 for further explanation.

2 Coal and LFO consumption were recorded at TBPP and TBEPP. Please refer to Energy Mix and Efficiency on page 153 for total energy consumption at TBPP and TBEPP.

3 Natural gas and distillate consumptions were recorded at SEV and PPP. Please refer to Energy Mix and Efficiency on page 153 for total energy consumption at SEV and PPP.

4 Biomass consumption recorded was for the testing period of 2% biomass co-firing at TBPP in FY2024.

5 Scope 3, Category 4: Upstream Transportation and Distribution (Coal Transportation) was tracked only for TBPP and TBEPP and commenced in FY2025.

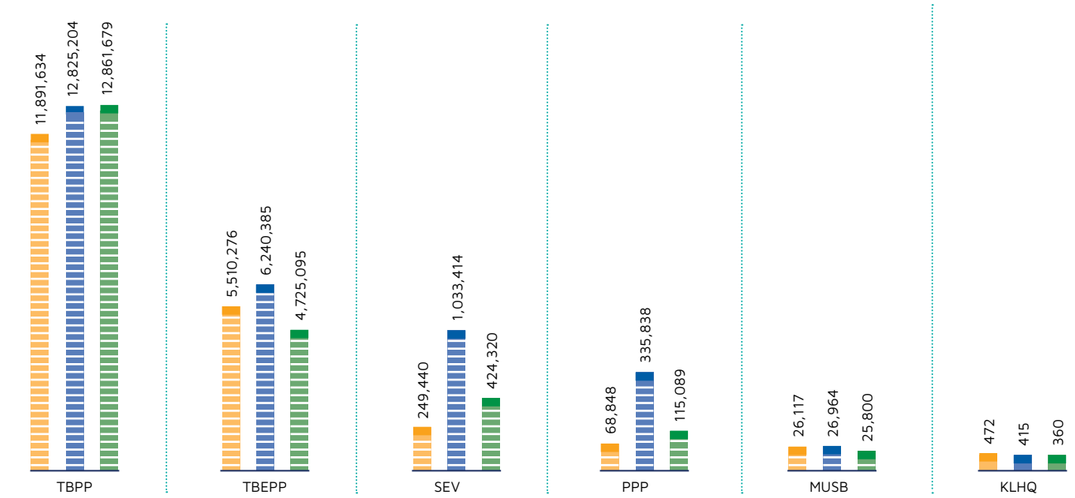
6 Tracking of Scope 3, Category 6: Business Travel commenced in FY2024.

7 Tracking of Scope 3, Category 7: Employee Commuting commenced in FY2024. From FY2025, the scope was expanded to include employees at Malakoff power plants (TBPP, TBEPP, SEV and PPP).

8 The biogenic CO_2 emissions for biomass is zero-rated under the GHG Protocol methodology. Biogenic CO_2 emissions are reported separately as "outside of scope" and not included in the total absolute emissions.

Summary of Scope 1 and Scope 2 emissions data for the Energy business, which form the basis of the emissions intensity calculation, are presented in the Climate-related Disclosures (Sustainability Statement) under Metrics and Targets on pages 237 to 239.

GHG Emissions Breakdown by Site (Scope 1 and Scope 2)



Continuous Non-GHG Emissions Monitoring

Plant	Unit	2023 *(mg/m³)*		2024 *(mg/m³)*		2025 *(mg/m³)*	
		SO_x	NO_x	SO_x	NO_x	SO_x	NO_x
TBPP	U10	270.71	276.71	297.05	176.01	**458.27**	**204.88**
	U20	366.67	412.13	303.66	198.63	**262.22**	**176.92**
	U30	155.39	150.00	178.31	257.5	**173.13**	**173.10**
TBEPP	-	247.58	169.99	268.12	166.35	**283.80**	**182.60**
SEV	Unit 11	0.00	7.59	0.00	11.63	**0.00**	**2.90**
	Unit 12	0.00	1.14	0.00	6.57	**0.00**	**2.37**
	Unit 13	0.00	7.46	0.00	20.61	**0.00**	**11.79**
	Unit 21	0.79	2.08	0.00	6.66	**10.90**	**13.54**
	Unit 22	0.00	0.74	2.22	2.38	**0.00**	**15.93**
	Unit 23	0.00	1.95	0.00	17.94	**0.00**	**14.38**
PPP	-	1.79	14.28	3.50	19.90	**2.25**	**11.22**

The non-GHG emissions data recorded above are daily averages for FY2025. Throughout the year, we have diligently monitored our non-GHG emissions. Based on monitoring outcomes, we are pleased to report that TBPP, SEV and PPP recorded non-GHG emissions within prescribed limits, while TBEPP demonstrated high overall compliance exceeding 98% with CAR2014 requirements for FY2025, indicating consistent implementation of emissions control measures.

SO_x Sulphur Oxides
NO_x Nitrogen Oxides

GHG Emissions Data Summary for Environmental Solutions

Carbon Emissions	Unit	2023	2024	2025
SCOPE 1				
Fuel Consumption (Diesel)	tCO_2e	12,489	11,003	**12,131**
Fuel Consumption (Petrol)	tCO_2e	429	481	**454**
Total Scope 1	tCO_2e	12,918	11,484	**12,585**
SCOPE 2				
Purchased Electricity (Concession)	tCO_2e	759	839	**838**
Purchased Electricity (Non-Concession)	tCO_2e	1,062	2,782	**2,124**
Total Scope 2	tCO_2e	1,821	3,621	**2,963**
SCOPE 3				
Category 7: Employee Commuting[1]	tCO_2e	N/A	N/A	**256**
Total Scope 3	tCO_2e	N/A	N/A	**256**
Total Absolute Emissions	**tCO_2e**	**14,739**	**15,105**	**15,804**

Note:
[1] Tracking of Scope 3, Category 7: Employee Commuting started in FY2025, which included Alam Flora Group employees who had been relocated to the Kuala Lumpur office from the Shah Alam office during the year, noting that the relocation was undertaken on a phased basis.

Our Initiatives

Malakoff has undertaken a range of measures to support GHG emissions management and transition readiness, recognising that these impacts will materialise progressively over time.

Grew RE portfolio more than 4 times to **766** MW
2024: 173 MW

Managing fleet emissions through Diesel Exhaust Fluid (DEF) use in Euro 5 engines

Avoiding carbon emissions of **47,188** tCO_2e from our **solar** generation in 2025



Delivering RE solutions through C&I rooftop solar installations, contributing to cleaner energy adoption.

Looking Ahead

Looking ahead, the Group will continue to strengthen the measurement and management of its GHG emissions in line with its Climate Transition Plan, as set out in the Climate-related Disclosures (Sustainability Statement) under Metrics and Targets. The Group will prioritise actions and investments that support the achievement of its emissions intensity target for the Energy business, based on Scope 1 and Scope 2 emissions, while progressively enhancing data quality, coverage and governance across the Group.

As reporting capabilities mature and regulatory expectations evolve, the Group will continue to refine its emissions metrics, assumptions and methodologies to ensure consistency, transparency and decision-useful disclosure.

M12 WASTE MANAGEMENT AND EFFLUENTS

Why It Matters

Effective waste management and the proper handling of effluents are crucial to minimising our environmental impact and promoting community well-being. We acknowledge the risks associated with poor waste management, including environmental pollution, adverse effects on public health, fines, punitive measures and reputational damage.

As such, we remain dedicated to mitigating our environmental impact through sustainable practices, optimising resource efficiency and supporting the long-term health of ecosystems. Additionally, adopting circular economy initiatives enables us to tap into cost-saving opportunities, enhance efficiency and explore new revenue streams while maintaining compliance and fostering stakeholder trust.

Risks

Poor management may lead to environmental pollution and social impacts resulting in fines and punitive measures as well as reputational damage.

Opportunities

Circular economy initiatives can lead to reduced cost, increased efficiency and new revenue streams. Additionally, good waste management practices can enhance regulatory compliance and strengthen stakeholder confidence.

Management Approach

We remain committed to managing waste generated from our operations in compliance with the EQA 1974. Our waste management efforts are focused on scheduled waste (SW) across all our plants and are guided by the Group's Environmental Policy and procedures. At our facilities, we produce a considerable volume of both scheduled and unscheduled waste.

In managing SW, we engage licensed contractors for disposal at prescribed premises, ensuring full compliance with the Department of Environment (DOE) regulations. This includes ensuring that all the SW maintenance sites utilised by TBPP, TBEPP, SEV and PPP meet the Environmental Quality (Scheduled Waste) Regulations 2005. To continuously improve our SW management practices, we conduct regular internal audits and site inspections.

SW

We continue to manage our SW, including fly ash, bottom ash, used oil and chemicals from power plants and incinerators, in strict accordance with our Scheduled Waste Management Policy. This policy provides a framework for maintaining consistent and best-practice approaches across the Group.

Furthermore, we ensure that our SW is safely stored at designated maintenance sites until it is collected by licensed contrators for proper disposal, in full compliance with the DOE regulations. This process is monitored through the DOE's Electronic Scheduled Waste Information System (eSWIS), ensuring transparency, accountability and adherence to regulatory requirements.

Licensed domestic contractors collect internally generated SW, such as used lube oil, distillates and contaminated solid waste, which is then directed to dedicated disposal methods including incineration, landfill, physical chemical treatment and solidification.

Unscheduled Waste

Our plants produce metal and rubber waste, which are gathered in scrap yards and are responsibly disposed of by licensed contractors. In our offices, we encourage recycling among employees through strategic placements of recycling bins.

Performance and Outcomes

Waste Generated at Our Operations

In FY2025, we recorded the following levels of SW across our plants and depots:

Plants	SW Treatment (tonnes)		
	Total waste generated	Waste diverted from disposal	Waste directed to disposal
TBPP[1]	150.59	57.11	93.48
TBEPP[2]	85.17	0.00	85.17
SEV[3]	5.36	2.10	1.93
PPP[4]	2.65	0.00	2.65
Alam Flora[5]	30.62	23.33	7.28
Total	**274.39**	**82.54**	**190.51**

SW Codes

SW1
Metal &
Metal-Bearing Wastes

SW102 | SW103 | SW104
SW109 | SW110

SW2
Wastes Containing
Principally Inorganic
Constituents

SW204

SW3
Wastes Containing
Principally Organic
Constituents

SW305 | SW306
SW307 | SW311 | SW312
SW325

SW4
Wastes Containing Either
Organic or Inorganic
Constituents

SW409 | SW410
SW417 | SW421
SW429

Notes:

1 SW at TBPP include SW103, SW109, SW110, SW204, SW305, SW307, SW325, SW409, SW410, SW417, SW421, SW429.

2 SW at TBEPP include SW103, SW110, SW204, SW305, SW307, SW311, SW409, SW410, SW429.

3 SW at SEV include SW110, SW305, SW307, SW312, SW409, SW410, SW417, SW429. As at 31 December 2025, a balance of 1.4 tonnes remained on hand. Accordingly, the treatment data for this balance will be carried forward and reported in the subsequent year.

4 SW at PPP include SW110, SW305, SW409, SW410, SW429.

5 SW at Alam Flora include SW102, SW305, SW409, SW410.

At TBPP and TBEPP, we have third-party offtake agreements to recycle the ash generated from the Tanjung Bin Complex into construction material such as sand replacement, which is a common practice in Europe and Japan. We have recycled bottom ash and fly ash generated from TBPP and TBEPP as follows:

TBPP (tonnes)
490,178
FY2024: 485,898
FY2023: 413,247

TBEPP (tonnes)
89,189
FY2024: 95,409
*FY2023: 93,254

TOTAL (tonnes)
579,367
FY2024: 581,307
*FY2023: 506,501

Note:
The ash recycled figure at TBEPP has been restated following the inclusion of offtake data from an additional offtaker that was not captured in FY2023 data.

Through the implementation of a cradle-to-cradle life cycle process, the Tanjung Bin Complex continues to strengthen responsible waste management practices. In 2025, TBPP and TBEPP collectively diverted 579,367 tonnes of fly ash and bottom ash from landfill through beneficial reuse, reflecting our continued commitment to effective coal ash management.

For further information about this initiative, please refer to our Impact Story: Energy on pages 216 to 218.

Effluents Management at Malakoff Environmental Solutions

Leachate, a liquid that passes through a landfill and extracts dissolved and suspended matter, poses a significant threat to surface water and groundwater. It forms when precipitation infiltrates the landfill and from moisture present in the waste during decomposition. Additionally, leachate emits an unpleasant odour and negatively impacts public health and well-being.

As the operator of an incinerator on Pangkor Island, we have adopted advanced technology that achieves zero leachate discharge. Our incineration process treats and reuses the leachate in the flue gas cooling process within the water quenching system. The treated leachate from our treatment plant is then utilised as one of the water sources to lower the flue gas temperature from approximately 850°C to 1,000°C to approximately 200°C after combustion. This approach not only ensures zero leachate discharge but also supports the local community by mitigating the environmental impact associated with municipal solid waste.

Achievements

Alam Flora received the **Environmental Sustainability Excellence Award** from the Waste Management Association of Malaysia (WMAM), reflecting our continued commitment to sustainable waste management.

82.54 tonnes
SW from our operations diverted from landfill

579,367 tonnes
fly ash and bottom ash diverted from landfill

Zero leachate discharge achieved through on-site treatment and reuse in the incineration process

Looking Ahead

As we move forward, Malakoff remains resolute in its commitment to effective waste management and effluent control. The data on SW and recycled ash reflects our progress and dedication to minimising environmental impact. We will continue to enhance our waste management practices, increase recycling rates and ensure the safe disposal of all waste materials.

Our ongoing initiatives in waste management and effluent control are integral to achieving our sustainability goals and reinforcing our role as a responsible corporate citizen. With innovative technologies and best practices, we aim to further reduce waste generation and improve resource efficiency. Through these efforts, we strive not only meet but exceed regulatory requirements, protect our natural resources and contribute to the well-being of our communities.

M13 COAL ASH MANAGEMENT

Why It Matters

Responsible coal ash management is integral to Malakoff's environmental stewardship. Coal ash, if not properly managed, has the potential to adversely affect soil and water quality, with implications for ecosystems, communities and regulatory compliance. Accordingly, we apply disciplined controls across the handling, storage and disposal of coal ash to safeguard the environment and public health.

Beyond risk mitigation, coal ash also presents opportunities for value creation. Through beneficial reuse, particularly in the production of construction materials such as cement and concrete, we are able to divert waste from disposal pathways, reduce reliance on virgin raw materials and generate incremental economic value. This approach supports our commitment to resource efficiency and the principles of a circular economy.

Risks

Ineffective management of coal ash could result in environmental contamination, regulatory non-compliance and reputational harm. Such incidents may lead to remediation costs, operational disruptions and heightened regulatory and stakeholder scrutiny.

Opportunities

Coal ash can be repurposed for approved downstream applications, including use as supplementary material in construction. Expanding beneficial reuse reduces the volume of waste requiring disposal, lowers environmental impact and creates opportunities for additional revenue streams. Over time, this also strengthens collaboration with downstream partners and contributes to broader circular economy outcomes.

Management Approach

Coal ash generated from our power plants is managed in accordance with the DOE's Environmental Quality (Scheduled Wastes) Regulations 2005, supported by our internal Sell-off Fly Ash Guideline. These frameworks establish requirements for the handling, storage, transportation and disposal of coal ash, as well as controls governing third-party utilisation. Through these measures, we aim to ensure regulatory compliance, minimise environmental risks and maximise opportunities for responsible reuse.



Overview of coal handling operations at Tanjung Bin Power Plant, illustrating key material transfer and storage processes.



The SEV power plant in Lumut, Perak is the second largest IPP-owned CCGT plant in Malaysia.



The GB3 power plant in Lumut, Perak utilises CCGT technology to generate higher electricity output with greater efficiency while using the same fuel.

Performance and Outcomes

At TBPP and TBEPP, we have established third-party offtake arrangements to recycle coal ash generated at the Tanjung Bin Complex into construction materials, including use as sand replacement.

From 2023 to 2025, we have recycled bottom ash and fly ash generated from TBPP and TBEPP as follows:

TBPP

Total Tonnage

490,178

FY2024: 485,898
FY2023: 413,247

TBEPP

Total Tonnage

89,189

FY2024: 95,409
FY2023: 93,254

TOTAL 3-YEAR TONNAGE

1,667,175

In 2025, TBPP and TBEPP collectively diverted 579,367 tonnes of fly ash and bottom ash from landfill through beneficial reuse, supporting a cradle-to-cradle life cycle approach.

*Our approach to managing coal combustion ash is illustrated through the **From Coal to Circular: The Tanjung Bin Complex Story** impact case study (pages 216 to 218), which demonstrates how our waste management systems and circular economy practices are implemented at scale, including the reuse of coal ash in construction materials.*

Looking Ahead

Malakoff remains committed to strengthening its coal ash management practices in line with regulatory requirements and evolving best practices. We will continue to prioritise safe handling and responsible utilisation while exploring viable opportunities to expand beneficial reuse, supporting environmental protection, operational efficiency and long-term value creation.

M15 ASSET LIFE CYCLE AND INTEGRITY

Why It Matters

Power plant assets are critical to ensuring uninterrupted electricity generation, making their proper management essential. Regular monitoring, maintenance and appropriate financial investment are necessary to sustain their efficiency and longevity. A well-structured life cycle management approach plays a pivotal role in asset management by establishing a systematic process that ensures assets operate effectively while preserving their integrity from installation to decommissioning. Effective life cycle management enhances the reliability of power plant assets, minimising the risk of failures and maximising operational efficiency to support consistent energy production.

Risks

Poor asset management can lead to stranded assets over the medium and long-term.

Opportunities

Proactive life cycle planning and well-designed transition strategies enable the extension of asset life where appropriate, while supporting a more strategic and orderly transition. This approach improves cost management, reduces operational disruption and enhances long-term business resilience.

Management Approach

Strengthening the operational reliability of our plants remained a priority, and we achieved this by implementing rigorous due diligence measures and planned maintenance outages to strengthen the operational reliability of our plants.

Each power plant has a dedicated maintenance team responsible for managing and overseeing the performance of critical assets. These teams employ a robust maintenance strategy that integrates predictive and preventive measures to identify and address potential issues before they escalate. Additionally, they implement timely and effective corrective maintenance to resolve any unforeseen equipment failures. This proactive and systematic approach ensures that our assets consistently operate efficiently, extending their lifespan beyond the anticipated operational period while minimising downtime and enhancing overall reliability.

Performance and Outcomes

To illustrate our dedication to preserve our assets at its best condition, we participated in the EC's Category 1 competitive bidding exercise, and successfully received confirmation that all three of our gas plants had been selected for an operational extension for a combined capacity of 2,082 MW.

These gas plants are SEV, GB3 and PPP. SEV is currently operating under its first PPA extension from 2017 to 2027, and the Category 1 bidding granted another extension from 1 July 2027 to 31 December 2029. PPP completed its first PPA extension in August 2025 and is expected to resume operations from 1 April 2026 to 31 March 2030, hereby making the Category 1 extension the second PPA extension for both SEV and PPP. For GB3, it received an extension approval for the period of 1 January 2027 to 31 December 2029 and will be the first extension following the expiry of its original PPA in December 2022.

All of these extensions go beyond their original 21-year PPA term. This achievement underscores our capability to manage and sustain our assets beyond their expected operational lifespan, ensuring continued efficiency, reliability and value for all stakeholders while supporting the stability of the energy supply.

Malakoff's Thermal Assets



Tanjung Bin Power Plant, Johor



Tanjung Bin Energy Power Plant, Johor



Prai Power Plant, Penang



Segari Power Plant, Perak

For more details please refer to the Energy Business Review on pages 96 to 113.

Looking Ahead

Looking ahead, Malakoff will continue to strengthen its asset life cycle and integrity management to support safe, reliable and efficient operations across its portfolio. We will maintain a disciplined approach to maintenance planning, condition monitoring and capital investment to preserve asset value while mitigating operational and environmental risks.

As the energy landscape continues to transform, we will also assess the long-term role of our assets within a transitioning energy system. This includes evaluating options to optimise asset performance, extend operational life where appropriate or plan orderly transitions in line with regulatory developments, market conditions and sustainability considerations. Through this balanced approach, we aim to ensure resilience, operational continuity and responsible stewardship of our assets over the medium to long-term.

M17 WATER MANAGEMENT

Why It Matters

Water availability and quality are critical to the reliability and productivity of Malakoff's Energy and Environmental Solutions operations. Our power plants rely on both freshwater and seawater, including seawater for cooling to support safe and efficient operations. Disruptions to water access or changes in water conditions could adversely affect plant efficiency, availability, and operating costs. Effective water management through optimised seawater cooling, water reuse and reduced reliance on utility-sourced freshwater, helps strengthen operational resilience, manage cost exposure and safeguard long-term asset performance.

Risks

Reduced availability or changes in freshwater or seawater quality and temperature may disrupt operations, reduce plant efficiency and availability and increase water treatment or sourcing costs.

Opportunities

Improved water efficiency, reuse, alternative sourcing and optimisation of cooling and process water systems may reduce costs, strengthen operational resilience and support long-term asset performance.

Management Approach

Water remains a vital resource for Malakoff, playing a key role in the seamless operation of our core business areas, from electricity generation to waste management and district cooling. We are guided by the National Water Resources Policy and EQA 1974 to manage our water sustainably and responsibly.

At our power plants, raw water is essential for replenishing steam and water losses, ensuring the consistent generation of electricity. It also serves various operational and administrative functions. In addition, we utilise seawater in our cooling systems to support efficient plant performance.

To secure a reliable supply of this crucial resource, we source our raw water from Pembekalan Air Pulau Pinang (PBAPP), Syarikat Air Johor (SAJ) and Lembaga Air Perak (LAP), ensuring the uninterrupted operation of our power plants.

- Producing steam to rotate turbines for power generation
- Supporting day-to-day operations in Balance of Plant areas, including office usage and housekeeping activities
- Operating firefighting system
- Replenishing ash pond water to suppress fly ash in storage yards
- Suppressing dust in coal yards
- Operating water cannons to prevent clinker formation in boilers at TBPP

Performance and Outcomes

Water Monitoring and Efficiency Initiatives

Power Generation Operations

At TBPP, we implemented continuous monitoring of raw water consumption through the installation of flow meters at the submerged chain conveyor and blowdown tank. This enabled daily consumption to be tracked against normal operating thresholds and supported early detection of system faults or inefficiencies. Condensate water make-up was also monitored to maintain water balance across operations. Swift corrective actions were taken when deviations occured, which helped to minimise water wastage and maintain operational stability.

At TBEPP, water efficiency efforts focused on reducing the frequency of Flue Gas Desulfurisation Gas-Gas Heater washing. This operational optimisation resulted in a significant reduction in water consumption while maintaining system performance.

Similarly, PPP prioritised the optimisation of the Auxiliary Boiler operations to conserve water and improve overall system efficiency.

At SEV, improvements to the Heat Recovery Steam Generator water blowdown operations reduced water usage while maintaining operational reliability.

Seawater Monitoring and Environmental Protection

In addition to freshwater management, we conduct regular seawater monitoring at intake and discharge points across our power plants. Seawater temperature is closely monitored to ensure it remains below 40°C, helping to prevent adverse impacts on marine life and maintain ecological balance in surrounding waters.

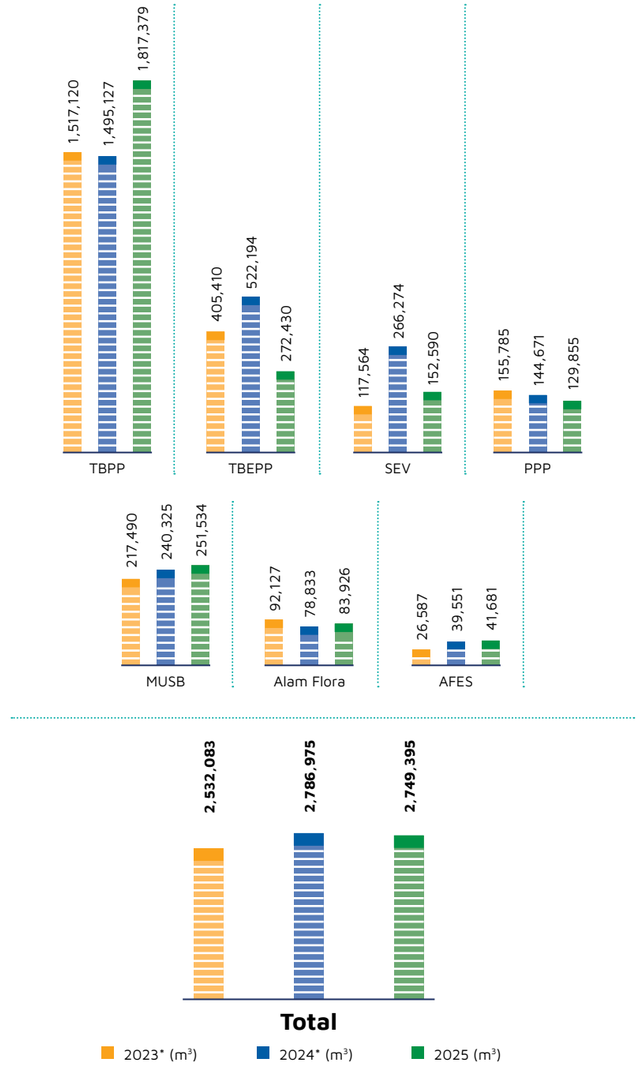
Environmental Solutions Operations

Through our Environmental Solutions business, we incorporate rainwater harvesting systems for housekeeping and landscaping purposes. We also implement leachate treatment systems to reduce the use of raw water in incinerators for temperature control. These initiatives contribute to lower freshwater demand while supporting safe and efficient plant operations.

Raw Water Consumptions Data

Throughout FY2025, we recorded a total of 2,749,395 m³ or 2,749 megalitres of water consumed.

Water Consumption m³

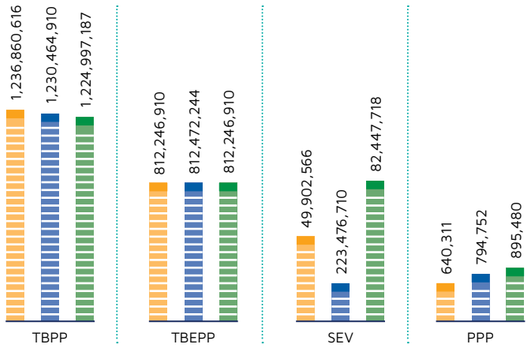


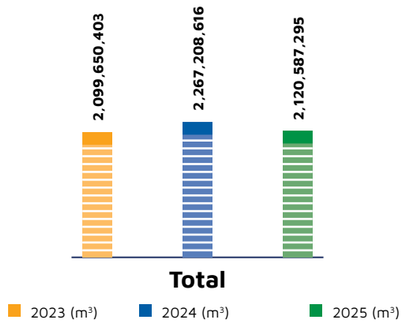
* Figures have been restated to reflect consumptions based on the financial control approach.

In FY2025, a 1.35% reduction in total water consumption was recorded compared to FY2024. This marginal decrease reflects our ongoing efforts to manage water use efficiently across operations.

Seawater Withdrawal Data

The table below presents total seawater withdrawn for cooling across Malakoff's four coastal power plants. As seawater is non-freshwater and is returned to the marine environment following use, this metric is disclosed to provide transparency on operational scale, rather than as an indicator of freshwater stress or consumption:





In 2025, we recorded a total of 2,120,587,295 m³ or 2,120,587 megalitres of seawater withdrawn. All seawater withdrawn were used exclusively for cooling purposes. This reflects the design of our coastal power plants, where seawater is circulated for thermal regulation and returned to the marine environment after use in accordance with regulatory requirements, reducing reliance on freshwater resources and mitigating exposure to freshwater availability risks.

Looking Ahead

As we continue to ramp up our operations, we are taking this opportunity to enhance and refine our water management practices. By focusing on sustainable water use and innovative conservation strategies, we aim to reduce our dependence on utility-sourced water and develop more resilient operations. This proactive approach not only supports our sustainability goals but also ensures the long-term viability of our business. Moving forward, we remain committed to optimising our water management to achieve greater efficiency and environmental stewardship.



Effective management is therefore essential to maintain marine and coastal environments while ensuring Malakoff's operations remain environmentally responsible, compliant and sustainable over the long-term.

M20 BIODIVERSITY

Why It Matters

Malakoff's operations are located across diverse coastal and terrestrial environments, some of which are internationally and nationally recognised for their ecological significance. Several power plants are situated within or in close proximity to environmentally sensitive areas (ESA) and key biodiversity areas (KBA).

Operating in or near such environments heightens the importance of responsible biodiversity management, as operational activities, particularly those involving seawater withdrawal and discharge for cooling purposes, may interact with surrounding marine and coastal ecosystems. Effective biodiversity management is therefore critical to ensuring that Malakoff's operations remain environmentally responsible, legally compliant, and resilient over the long-term.

Power Plant Operations in ESAs and KBAs

The table below summarises the proximity of Malakoff's key operational sites to designated ESAs and KBAs, based on publicly available information and national planning references.

Plants	Proximity to ESAs or KBAs
TBPP	Located within Ramsar Sites, which form part of the Southwest Johor Coast KBA, recognised for mature mangrove ecosystems and globally significant biodiversity.
TBEPP	
SEV	Located near Pantai Pasir Panjang Segari, identified under the National Physical Plan 3 as an ESA due to its function as a turtle landing site. No KBA has been identified.
PPP	Not located within or immediately adjacent to any designated ESA or KBA.

Regulatory Compliance and Operational Readiness

Biodiversity management is integral to ensuring Malakoff's operations remain in compliance with applicable environmental requirements, including Environmental Impact Assessment (EIA) approval conditions and environmental permitting obligations, particularly for facilities utilising seawater for cooling. Effective management of marine and surrounding ecosystem impacts supports continued adherence to regulatory limits, monitoring requirements and licence conditions, and underpins ongoing operational readiness and continuity.

Risks

Adverse impacts on marine or terrestrial biodiversity may result in non-compliance with environmental regulations, permit conditions, or EIA commitments, potentially leading to operational restrictions, enforcement actions, or remediation requirements.

Opportunities

Effective biodiversity management and proactive conservation initiatives may support regulatory compliance, strengthen stakeholder confidence and enhance Malakoff's standing as a responsible operator.

Management Approach

Malakoff prioritises environmental protection and biodiversity preservation through the implementation of its Environmental Policy, which is aligned with the EQA 1974 and relevant regulatory requirements.

Our Initiatives

Environmental Monitoring at Our Operations

Environmental monitoring is conducted across Malakoff's operations and is typically carried out by qualified third-party consultants. Monitoring programmes are designed to meet regulatory requirements and EIA conditions, and to detect potential impacts on marine, coastal, and surrounding ecosystems. Findings from monitoring activities are used to support compliance assurance, inform operational controls and enable timely corrective actions where required.

TBPP & TBEPP - Marine Ecology Monitoring Report

Marine Ecology
- Comprises both physical (sediment quality) and biological (phytoplankton, zooplankton, macrobenthos, fisheries and mangrove) components

Mangroves
- Monitors the natural environment - mangroves (crabs, mammals, gastropods) and marine fishes

SEV - Environmental Monitoring Report
- Involves sampling for water analysis
- Includes ecology of turtle monitoring, which is conducted by the Department of Fisheries Malaysia in Perak (JPNP), with statistical data shared with SEV

PPP - Marine Ecology Monitoring Report

Marine Ecology
- Consists of phytoplankton, zooplankton, macrobenthos and fishes

Marine ecology monitoring is undertaken on a quarterly or biannual basis to assess the condition of the marine environment and identify potential changes over time.

Seawater monitoring is also conducted at intake and discharge points at our power plants, with temperature monitored to ensure it remains below 40°C. This helps manage thermal impacts on marine life and maintain ecological balance in surrounding waters.

Educational Programmes
- *Jom Plogging"Saya Sayang Bumi"* Event at Pantai Cherok in Paloh Kuantan, Pahang
- *Jom Plogging"Saya Sayang Bumi"* Carnival Campaign in Conjunction with the Kuantan Car Free Day Programme, Eco Dash 2025: Together for A Cleaner Future
- CSR Beach Cleanup & Environmental Education, Perhentian Island



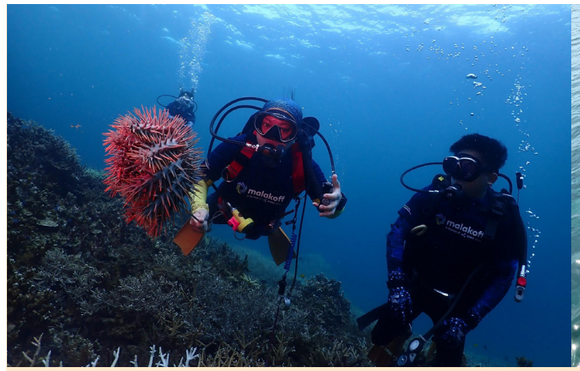
***"Saya Sayang Bumi"* ("I Love the Earth") Plogging Event,**

Alam Flora organised the *Jom Plogging – "Saya Sayang Bumi"* programme at Pantai Cherok, Paloh, Kuantan, which involved 200 participants, collected 1,312 kg of waste, mainly plastic and glass, reflecting strong community commitment to environmental protection.

The programme brought together youth volunteers, local authorities, university volunteers and village representatives, demonstrating collaborative community action. As part of coastal restoration efforts, 150 trees were planted, supported by the Pahang State Forestry Department, underscoring Alam Flora's ongoing commitment to environmental conservation and sustainability for future generations.



Environmental monitoring activities are conducted to safeguard marine, coastal and surrounding ecosystems.





Malakoff Marks Merdeka with Marine Conservation in Pulau Aur

In conjunction with Malaysia's Merdeka celebrations and World Beach Day, Malakoff organised a Marine Conservation Programme at Pulau Aur, Johor in collaboration with the Johor State Fisheries Office and local stakeholders. Held on 28 and 29 August 2025, the initiative included beach and underwater clean-up activities, removal of ghost nets and invasive Crown-of-Thorns starfish, and community engagement efforts aimed at protecting coral reef ecosystems and supporting marine biodiversity in the surrounding waters.

Achievements

As a result of our monitoring and initiatives, the power plants achieved the following during the reporting period:

TBPP	ZERO non-compliance with environmental laws & regulations in FY2025
SEV	
PPP	
TBEPP	ZERO non-compliances with environmental laws & regulations in FY2025, with *the exception of the CAR2014, under which TBEPP achieved a high compliance rate of 98.7%.

Please refer to GHG Emissions on pages 155 to 160 for further details on TBEPP's performance for CAR 2014.

Looking Ahead

Malakoff will continue to abide by its Environmental Policy and strengthen environmental monitoring across its operations, with a focus on early detection, timely response and continuous improvement. The Group will also enhance engagement with local communities through targeted outreach and awareness programmes, recognising the value of collaboration in supporting environmental stewardship. Through these efforts, Malakoff seeks to promote biodiversity awareness, reinforce responsible operational practices and encourage collective action towards a sustainable and resilient operating environment.

SOCIAL STEWARDSHIP

EMPOWERING OUR PEOPLE AND SUPPORTING OUR COMMUNITIES

Social stewardship is integral to Malakoff's approach, shaping how we build a resilient, capable workforce and contribute meaningfully to the communities we serve. We are committed to fostering an inclusive and agile organisational culture that provides equal opportunities for employees to grow, supported by a safe, healthy and respectful work environment.

Through strong people practices, a firm focus on health and safety, and purposeful community engagement, we seek to enhance workforce well-being, strengthen organisational capability and create shared value for our stakeholders.

SOCIAL STEWARDSHIP HIGHLIGHTS

56,653,366 man-hours worked, reflecting the **vital role** of our workforce in delivering **essential services**	**5,308** employees **trained** on **health and safety standards**	**100%** employees and contractors covered by **OSH Management System**
Invested **RM2.20 million** in employee training programmes, resulting in **40,924 training hours**	**Conducted 162** Certification Programmes with **803** Participants **Certified**	**ZERO** substantiated complaints concerning **human rights violation** and **discrimination cases** reported
RM1.58 billion distributed to our **stakeholders** including suppliers, employees, Government, capital providers, shareholders and community	**RM369,290** invested in **community programmes**	**5,000 beneficiaries** reached through **community initiatives**

OUR APPROACH

Social stewardship is central to Malakoff's purpose of enhancing life and enriching communities. As a key participant in Malaysia's energy sector, an industry that supports approximately 25% of the national workforce, we recognise our responsibility to protect people, uphold fair labour practices and contribute positively to society, while supporting the nation's energy transition.

Our approach is guided by the National Energy Policy 2022–2040, the Occupational Safety and Health (Amendment) Act 2022 (Act A1648) and international principles, including the United Nations Global Compact (UNGC), of which we have been a member since 2023.

Workforce Health, Safety and Well-being

The safety and well-being of our employees and contractors are our highest priority. We implement structured Occupational Safety and Health (OSH) practices aligned with Act A1648, focusing on hazard identification, risk assessment, incident prevention and continuous improvement. These standards apply across our operations and extend to contractors and business partners, reflecting our commitment to a strong and consistent safety culture.

Human Capital Development

In support of national energy priorities, we invest in developing a skilled, adaptable and future-ready workforce. Our talent management initiatives focus on upskilling and reskilling to meet evolving operational, technological and sustainability-related needs, strengthening workforce resilience and long-term capability.

Human Rights and Responsible Labour Practices

Aligned with the UNGC Ten Principles, we are committed to respecting internationally recognised human rights and promoting fair and ethical labour practices across our operations and value chain. We do not tolerate forced labour, child labour, discrimination or harassment, and embed these expectations within our policies and codes of conduct.

Communities and Governance

We engage proactively with communities where we operate to manage social impacts and create shared value through responsible and inclusive initiatives.

MATERIAL SOCIAL MATTERS

Our Social Material Matters represent the key people- and community-related issues that are most significant to our business and stakeholders. These include OSH to protect employees and contractors; Stakeholder Management and Engagement to maintain trusted relationships; and Talent Management and Development to build a capable and future-ready workforce. We also focus on Human and Labour Rights to uphold fair and ethical practices, and Community Impact to create positive and lasting outcomes in the communities where we operate.



The following section sets out Malakoff's Material Social Matters under Social Stewardship, as identified through our materiality assessment.



M3 OCCUPATIONAL SAFETY AND HEALTH

Why It Matters

OSH is critical to Malakoff as it safeguards the well-being of our employees and contractors while supporting safe and reliable operations. Effective OSH practices help minimise accidents and injuries, reducing unplanned disruptions and downtime. More importantly, our focus on OSH fosters a safe, sustainable and conducive work environment, ensuring that everyone can return home safely at the end of each workday.

Risks

Workplace accidents have the potential to disrupt operations, reduce productivity and result in legal and regulatory consequences, as well as incurring higher insurance costs.

Opportunities

Strong OSH programmes help minimise occupational accidents and fatalities, thereby reducing operational disruptions and associated costs. A proactive safety culture also strengthens employee confidence and morale, while contributing to more competitive insurance premiums and long-term cost efficiencies.

Management Approach

We are committed to upholding the principles set out in the Occupational Safety and Health (Amendment) Act 2022 (Act A1648) (OSHA 2022). Our operations have attained the ISO 45001:2018 Occupational Health and Safety Management System, ensuring the highest standards are maintained across our businesses. This enables us to continuously improve our OSH performance, minimise the risk of work-related injuries, and create a secure work environment for employees, workers and contractors.

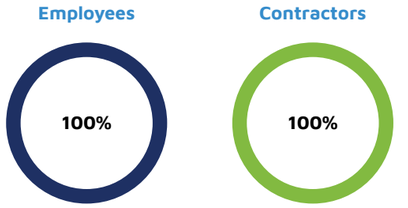
OSH Management System

We continue to maintain our OSH Management System to protect our people and ensure compliance to legal requirements and internationally recognised standards. Central to our system is the integration of best practices in risk management, such as hazard identification, risk assessment and the application of risk control measures, all aligned with ISO 45001.

The scope of safety implementation covers all employees, as outlined under Part VI General Duties and Rights of Employees of the OSHA 2022, specifically Section 2024, which mandates employees to take reasonable care for their own safety and health, as well as that of others.

Both our employees and contractors are covered by our OSH Management System, as shown below:

Employees and Contractors Covered by OSH Management System

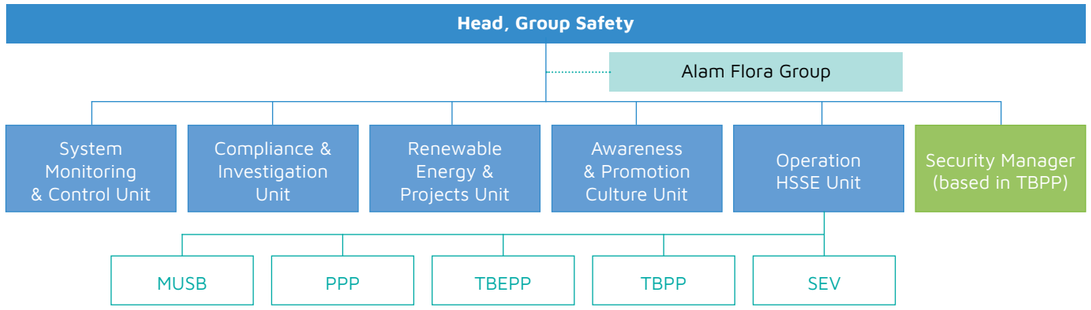


Note:
"Employees" refers to the definition provided in the Occupational Safety and Health Act A1648 Amendment 2022, Section 3(a)(xii), while "Contractor" refers to the definition in Section 3(a)(iv), which includes in-house contractors and other contractors.

Health and Safety Governance

In line with ISO 45001, we have developed an organisation chart and job descriptions to clearly define safety and health roles, responsibilities and authorities across the organisation. We also ensure communication of roles, responsibilities, processes and procedures to control safety and health risks to raise awareness.

The Safety and Health (S&H) Committee comprises both management and non-management representatives. The committee meets quarterly, with each member's responsibilities outlined in accordance with the OSHA 2022.



Hazard Identification, Risk Assessment and Risk Control (HIRARC)

We identify and assess work-related hazards through a systematic approach involving the operation team and Health, Safety, Security and Environment (HSSE) teams, as illustrated in the following diagramme:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Collect and review information about hazards present or likely to be present in the specific process area.	Conduct initial and periodic workplace inspections of the workplace to identify new or recurring hazards.	Report and investigate injuries, illnesses, incidents and near misses to determine the underlying hazards, their causes and safety and health programme shortcomings.	Group similar incidents and identify trends in injuries, illnesses and hazards reported.	Consider hazards associated with emergency or non-routine situations.	Determine the severity and likelihood of incidents that could result for each hazard identified and use this information to prioritise corrective actions.

The effectiveness of our processes is evaluated and continually improved through inputs from incident investigations, S&H Committee meetings, internal and external audits and ongoing inspections and assessments across our operations. These results inform the refinement of our OSH Management System, ensuring it remains effective and responsive to emerging risks

To facilitate the reporting of work-related hazards and hazardous situations, we provide the HOPe card system for workers to offer feedback and raise safety concerns. These reports are categorised as leading indicators or positive reporting, proactive measures taken by staff and contractors to address hazards before they escalate. We ensure that workers can report concerns without fear of reprisal, fostering an open environment for safety dialogue..

Our policies and processes also support workers' rights to remove themselves from work situations they believe could cause injury or ill health. As outlined in our OSH Policy, we are committed to:

- Providing a healthy and safe working environment for our employees, contractors and others, in addition to preventing injury and ill health caused by exposure to hazards.
- Developing OSH objectives and targets and implementing programmes.
- Promoting OSH awareness and enhancing the knowledge of all employees through various activities, training and educational programmes.
- Ensuring continual improvement of processes and practices related to OSH management and performance.
- Eliminating hazards and reducing OSH risks from our operations and maintenance activities.
- Complying with all applicable statutory and regulatory requirements of the local, state and federal authorities in relation to OSH and electrical safety, as well as adopting the best codes of practice as far as practicable.
- Valuing the participation of employees in OSH programmes and activities.
- Being a caring organisation and a good neighbour.
- Contributing to nation-building.

We have integrated this policy into our work culture, ensuring that it is upheld by everyone at Malakoff. Where applicable, we make the policy available to the public and remain fully committed to it as part of our broader contribution to society.

In the event of a work-related incident, an investigation committee is formed to determine the probable root causes. This committee conducts a thorough root cause analysis and collaborates to identify possible corrective actions and improvements. Hazard controls are listed based on their practicality and effectiveness, following the hierarchy of controls of our OSH Management System.

The outcomes of these investigations help inform improvements in our OSH Management System, ensuring that our processes are continually refined to prevent future incidents. Periodically, we organise a series of HIRARC review workshops to assess the effectiveness and improve hazard control measures.

Our Initiatives

HSSE Implementation Units

Since 2022, Group Safety KLHQ Office had established dedicated specific implementation units, each focusing on key areas such as System Monitoring and Control, Compliance and Investigation, Communication and Promotion, Operations Safety as well as a dedicated Security Unit to enhance effectiveness.

HSSE Programmes

In 2025, we remain committed to organising the following initiatives, prioritising awareness, training and well-being for employees and contractors alike:

- HSE Week Day
- Contractor Outage Safety Forum
- Virtual Fun Run
- Group Safety Awareness Quiz
- Mass Toolbox Talk for Employees and In-House Contractors
- Fire Watcher Training
- HSE Committee Training
- Hearing Conservation Training
- AGT New and Refresher Training
- Advanced First Aid Training
- Ergonomic Refresher Training
- Management Walkdown
- Plant Safety Inspection
- Bomb Threat Drill with Polis Diraja Malaysia (PDRM)



Safe operations are achieved through disciplined execution, hazard identification, and continuous monitoring of operational risks.

Performance and Outcomes

OSH Training for Employees

In 2025, a total of 5,308 employees were trained across various programmes, both in Energy and Environmental Solutions operations:



Work-related Injuries

We have identified work-related injuries through reported incidents, S&H Committee meetings, inspections and audits. The work-related hazards that pose a risk of high-consequence injury include working at heights, heavy lifting operations and coal handling operations. To eliminate or minimise the associated risks, we have implemented key measures such as ensuring proper Method Statements, HIRARC evaluations, Permit to Work systems and on-site internal controls, following the hierarchy of controls. In addition to addressing these specific hazards, we are conducting continual safety awareness and improvement programmes to eliminate other work-related hazards and minimise risks across the board. This includes ensuring the proper use of approved and certified Personal Protective Equipment (PPE) and safety equipment, with rigorous monitoring to ensure compliance.

Primary Work-related Injuries

- Reportable Lost Time Injury
- Medical Treatment Injury
- Non-Reportable Lost Time Injury
- First Aid Injury

Health and Safety Performance: Energy

During the reporting period, the Lost Time Incident Rate (LTIR) for Energy business increased to 1.02 from 0.42 in 2024.

Year	2023		2024		2025	
Category	**Employees**	**Contractors**	**Employees**	**Contractors**	**Employees**	**Contractors**
Fatalities as a result of work-related injury						
Number	0	1	0	0	**0**	**3**
Rate	0	0.15	0	0	**0**	**0.84**
High-consequence work-related injuries						
Number	0	0	0	0	**0**	**0**
Rate	0	0	0	0	**0**	**0**
Recordable work-related injuries						
Number	8	6	2	7	**2**	**16**
Rate	3.20	1.34	5.03	33.42	**0.61**	**4.48**
Number of hours worked	2,503,284	4,479,928	2,515,187	4,773,572	**3,291,476**	**3,572,212**
LTIR	**0.73**		**0.42**		**1.02**	
Number of incidents recorded	**35**		**21**		**38**	

Notes:
For clarity in data compilation:
- "Employees" are defined as per the Occupational Safety and Health Act A1648 Amendment 2022, Section 3(a)(xii).
- "Contractors" refers to in-house contractors and other contractors under Section 3(a)(iv). Contractors are considered as non-employees.
- Serious bodily injuries are defined under Section 54 (4th Schedule, Subsection 3(1)).
- The injury rates are calculated based on 1,000,000 hours worked.

The increase in LTIR was primarily driven by a small number of high-severity incidents during the year, including an incident involving one of the coal unloaders at the Tanjung Bin Complex jetty during scheduled maintenance work by a contractor, as well as a fatality at one of our power plants. These incidents were thoroughly investigated, and corrective and preventive measures have since been strengthened across our Energy operations.



Health and safety are paramount in Malakoff's operations, guiding daily activities, workforce practices and asset management to ensure a safe and reliable working environment for all.

Health and Safety Performance: Environmental Solutions

Concession (Alam Flora)

In the reporting year, the LTIR for Environmental Solutions' Concession business decreased to 1.04 from 1.16 in 2024.

Year	2023		2024		2025	
Category	**Employees**	**Contractors**	**Employees**	**Contractors**	**Employees**	**Contractors**
Fatalities as a result of work-related injury						
Number	0	0	0	2	**0**	**0**
Rate	0	0	0	0.07	**0**	**0**
High-consequence work-related injuries						
Number	0	0	0	0	**0**	**0**
Rate	0	0	0	0	**0**	**0**
Recordable work-related injuries						
Number	39	1	41	3	**37**	**0**
Rate	1.98	0.037	4.27	0.11	**5.14**	**0.00**
Number of hours worked	19,677,654	26,788,475	9,606,110	28,276,018	**7,198,299**	**28,348,660**
LTIR	**0.86**		**1.16**		**1.04**	

Non-Concession (AFES)

In the year under review, the LTIR for Environmental Solutions' Non-concession business increased to 0.28 from 0.26 in 2024.

Year	2023		2024		2025	
Category	**Employees**	**Contractors**	**Employees**	**Contractors**	**Employees**	**Contractors**
Fatalities as a result of work-related injury						
Number	1	N/A	0	N/A	**0**	**N/A**
Rate	0	N/A	0	N/A	**0**	**N/A**
High-consequence work-related injuries						
Number	0	N/A	0	N/A	**0**	**N/A**
Rate	0	N/A	0	N/A	**0**	**N/A**
Recordable work-related injuries						
Number	4	N/A	2	N/A	**4**	**N/A**
Rate	0.50	N/A	0.26	N/A	**0.28**	**N/A**
Number of hours worked	12,048,476	N/A	15,580,414	N/A	**14,242,719**	**N/A**
LTIR	**0.50**		**0.26**		**0.28**	

Work-related Ill Health

The work-related ill health at our operations is mainly caused by coal handling, working at heights, heavy lifting and working with machinery. The causes of work-related ill-health were identified through reported incidents, HIRARC evaluations, audit and inspection findings and the issuance of the HOPe card system. To address these risks, we are taking proactive measures to eliminate the hazards and minimise the associated dangers, in line with the hierarchy of controls.

Our priority is elimination, actively seeking ways to remove hazards wherever possible. Where elimination is not feasible, we consider substitution, exploring safer alternatives for performing tasks. We also implement engineering controls, such as the addition of machine guarding and providing contractors with guidance to improve Method Statements, HIRARC and specific safety plans for work activities. Our administrative controls also aim to improve training methods, prioritising the use of approved and certified PPE and safety equipment by ensuring strict monitoring on compliance.

Work-related Ill Health Performance

In 2025, the Group achieved zero fatalities in relation to work-related ill health among employees and non-employees.

Year	2023		2024		2025	
Category	Employees	Contractors	Employees	Contractors	Employees	Contractors
Number of fatalities as a result of work-related ill health	0	1	0	0	**0**	**0**
Number of cases of recordable work-related ill health	0	0	0	0	**0**	**0**
Main types of work-related ill health	0	0	0	0	**0**	**0**

Achievements

Achieved
2,500,000
Safe Man-hours at PPP

Looking Ahead

The Group will continue to prioritise OSH as a fundamental aspect of how we operate. Our focus remains on continuous improvement through regular evaluation, learning and adaptation, supported by a strong safety culture across all levels of the organisation. We will further enhance stakeholder involvement to embed diverse perspectives into decision-making, reinforcing safe work practices while driving effective outcomes, innovation and sustainable growth.



Waste collection and handling activities are conducted under controlled procedures to mitigate occupational and environmental risks.

M9 STAKEHOLDER MANAGEMENT AND ENGAGEMENT

Why It Matters

Effective stakeholder management ensures alignment with the Group's strategic direction, reinforcing long-term stability and business resilience. Engagement is more than communication. It involves understanding stakeholder expectations, addressing concerns and delivering value that supports sustainable growth.

Internally, employees benefit from transparency, participation in decision-making and a workplace that prioritises engagement, leading to higher job satisfaction and productivity. Externally, engaging with the government, clients, vendors, capital providers, investors and the community build trust, strengthens cooperation and ensures regulatory compliance. Through value distribution, including dividends to shareholders, tax contributions to the government, competitive salaries for employees and payments to vendors, we generate economic impact while maintaining operational continuity. A structured approach to stakeholder engagement strengthens financial performance, reduces risks and secures long-term support, reinforcing our commitment to sustainable value creation.

Risks

Lack of or inadequate strategic stakeholder engagement could lead to misunderstanding of stakeholders' concerns or mismatched expectations and priorities. Lack of stakeholder buy-in could result in incorrect or negative perceptions of the company.

Opportunities

Strong engagement enables mutual trust and understanding, fosters collaboration and long-term partnerships.

Management Approach

Our approach centres around creating and distributing value across key stakeholder groups, ensuring sustainable business growth while contributing to broader economic and social development. We categorise our stakeholders into internal and external groups, each receiving value through financial contributions and engagement efforts:

Employees
Employees are essential to our operations. We provide competitive salaries and wages to support financial stability, encourage productivity and enhance job satisfaction.

Capital Providers
Capital providers support our financial stability. We ensure timely payments of finance costs, maintaining investor confidence and sustaining long-term growth.

Shareholders
We create value for shareholders through dividend distributions. To this end, Malakoff's dividend policy commits to distributing at least 70% of PATMI to our shareholders.

Government
We fulfil our corporate tax obligations, contributing to national development and supporting essential public services and infrastructure. Transparent tax practices reflect our role in economic progress.

Vendors and Suppliers
Vendors and suppliers are critical to supply chain sustainability and operational continuity. Transparent procurement management and strategic budget allocation to vendors ensure a reliable supply chain and sustain business relationships.

Community
We invest in initiatives that create positive social impact. Community investments support education, environmental conservation and local development, reinforcing our commitment to long-term social progress.

Our Initiatives

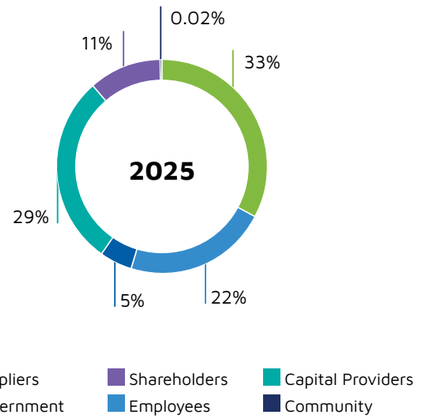
Direct Economic Value Generated and Distributed	2023	2024	2025
A) Direct economic value generated (RM'000)			
Sales revenue	9,066,954	8,969,567	**7,209,335**
B) Economic value distributed[1]			
Suppliers Payments of Goods & Services	362,413	384,343	**519,435**
Employees Salaries and other staff costs	336,943	328,860	**344,141**
Government Corporate taxation	282,757	126,032	**72,700**
Capital Providers Finance costs	566,874	504,032	**460,814**
Shareholders Dividends	193,035	182,283	**179,351**
Community Investments in Social Development	241	380	**250**
Total B (RM'000)	1,742,263	1,525,930	**1,576,691**
Economic value retained [A – B] (RM'000)[2]	7,324,691	7,443,637	**5,632,644**

[1] The economic value distributed to stakeholders only for our Energy segment..

[2] The economic value retained is gross and only considers revenue less the value distributed to stakeholders, without accounting for any operating cost.

For more information on values created for stakeholders, refer to our Value Creation Model on pages 68 to 69.

In FY2025, we generated a revenue of RM7.21 billion, of which RM1.58 billion was distributed to our stakeholders:



During the year, the majority of economic value generated was distributed to stakeholders, demonstrating the Group's contribution to the wider economy. Economic value retained reflects the portion of value not distributed and supports the Group's operational continuity, reinvestment requirements and long-term growth objectives.

Achievements

During the year, approximately 21.9% of revenue was distributed to stakeholders. This distribution reflects the Group's commitment to responsible and inclusive value creation, while maintaining the financial capacity required to support ongoing operations and long-term sustainability.

Looking Ahead

Malakoff will continue to strengthen stakeholder engagement as a core enabler of long-term value creation. Through structured and transparent engagement, we aim to better align stakeholder expectations with our strategic objectives, reinforcing business stability, supporting sustainable growth and enhancing operational resilience.

Internally, we will focus on strengthening human capital by promoting employee well-being, fostering a participatory and inclusive workplace culture, and investing in capability development to support future-ready skills. Externally, we will strengthen strategic partnerships with government bodies, investors, suppliers and the broader community to reinforce relationships across our value chain and deliver shared, long-term outcomes.

M10 TALENT MANAGEMENT AND DEVELOPMENT

Why It Matters

Effective talent management is critical to Malakoff's ability to sustain operational excellence, execute its strategy, considering that capability is one of the Strategic Focus Areas that Malakoff is strengthening to support long-term value creation and adapt to the evolving energy landscape. A skilled and future-ready workforce supports innovation in green solutions, environmental initiatives and energy-related advancements, while strengthening leadership capability and stakeholder confidence.

By aligning workforce capabilities with strategic priorities, Malakoff enhances productivity, retention and succession readiness, positioning the organisation to manage the complexities of sustainable operations, optimise resource use and address emerging industry challenges over the long-term.

Risks

Challenges in attracting, developing and retaining skilled professionals may result in capability gaps in critical roles, potentially affecting operational performance, innovation and leadership continuity.

Opportunities

Targeted investment in talent development, learning and leadership programmes can strengthen workforce capability, enhance employee engagement and morale, and improve overall performance, supporting long-term business resilience and growth.

Management Approach

We are guided by the People Strategic Focus 2025–2027, a comprehensive framework aimed at strengthening people function effectiveness, enhancing organisational effectiveness, building organisational capabilities and reinforcing competitive rewards and performance practices.

People Strategic Focus 2025-2027

PEOPLE

Enabling Business Strategy through Aligned People Approach

Workforce Strategy & Organisational Alignment	Discipline that Activates, Cultivates and Measures Real Performance	Talent Development and Succession Management	Employee Value Proposition and Employer Branding that Matters
Increase People Function Effectiveness	Improve Organisation Effectiveness	Building and Strengthening Organisation Capabilities	Competitive Rewards and Performance Practices

Drivers & Target Metrics

- **Lean organisation structure** aligned to business strategy.
- **Workforce optimisation** through assessment of processes and talent capabilities.
- **Improve organisational culture** anchored on culture of accountability.

- KPI **alignment to business** and **anchored on value creation.**
- Sustainable **organisational health aligned to strategy**
- Imposing real **consequences on under performers.**

- **Executive Education programme** to strengthen leadership capability.
- Ensure **healthy succession coverage** and readiness.
- **Build leadership and talent capability** through structured programmes.

- **Create positive employee experience** and conducive work environment.
- **Competitive and differentiated rewards** strategy for different talent segments.
- **Employee engagement initiatives** to engage and excite employees.

Our Initiatives

Leadership and Succession Development

Our leadership and succession initiatives are guided by a structured Succession Planning and Talent Management Framework, designed to ensure leadership continuity and mitigate risks associated with talent shortages. The framework provides a consistent approach to identifying high-potential employees, assessing their readiness for critical roles and supporting their progression through targeted development plans. This approach strengthens our leadership pipeline through planned programmes, coaching and digital learning tools, supporting long-term organisational resilience.

Leadership Development Programmes

Malakoff's Leadership Development Programmes are designed to strengthen core and leadership competencies, building capable leaders who can drive business performance and navigate organisational challenges. The programmes cater to managers, executives and identified successors.

Programme	Description	Key Focus Area	Participants in 2025
Leadership Development Programme for Managers	A six-month programme aimed at strengthening managerial capabilities in line with Malakoff's leadership framework.	• Strategic and visionary thinking • Self and people development • Stakeholder management • Leading change and innovation	16% of 105 Managers
Leadership Development Programme for Executives	A six-month programme designed to enhance executive capabilities and support performance and career development.	• Strategic and visionary thinking • People leadership • Stakeholder management • Leading change and innovation	18% of 83 Executives
Leadership Development Programme for Successors	A targeted programme for high-potential employees to prepare them for future critical leadership roles.	• Addressing capability gaps • Strengthening leadership readiness	32% of 47 Successors

Malakoff Coaching Programme: Coaching with Impact

In 2025, group coaching sessions were delivered to 32 participants of the Leadership Development Programme by external coaches as part of the overall development programme.

EDGILE Online Learning Platform

Malakoff's proprietary online learning platform provides employees with flexible access to a wide range of courses, training modules and development tools, covering leadership, soft skills and technical competencies. The platform supports continuous learning, upskilling and reskilling, while enabling career development and progression.

Malakoff Competency Dictionary

The Malakoff Competency Dictionary supports leadership and succession development by defining the skills, behaviours and knowledge required for each role across the organisation. It helps identify capability gaps and guides targeted learning and development plans to align employee competencies with role requirements.

Performance and Outcomes

Malakoff recognises the importance of ensuring employees clearly understand their roles, performance expectations and career pathways. These aspects are addressed through annual performance and career development reviews, where employees and their supervisors discuss performance outcomes and career aspirations.

Percentage of Malakoff Employees Receiving Regular Performance and Career Development Reviews by Gender

	Male	Female
Total Number of Employees	762	170
Percentage of Employees by Gender Who Received Performance Reviews	100%	100%
Percentage of Employees by Gender Who Received Career Development Reviews	11%	8%

In 2025, performance reviews were conducted for 100% of employees, while career development reviews were conducted for 11% of male employees and 8% of female employees.

Percentage of Malakoff Employees Receiving Career Development Reviews by Employee Category

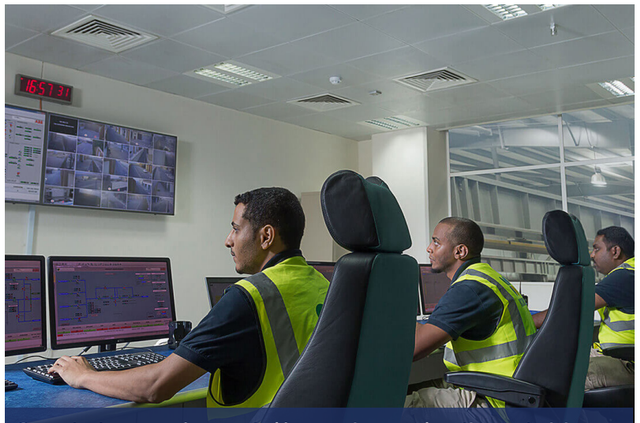
Employee Category	Total Number of Employees	Percentage of Employees Who Received Career Development Reviews
Top Management	4	0%
Senior Management	29	7%
Middle Management	240	18%
Executive	311	9%
Non-Executive	348	7%

During the year, performance and career development reviews covered 7% of Senior Management, 18% of Middle Management, 9% of Executives, and 7% of Non-Executive employees.

Talent Acquisition and Growth

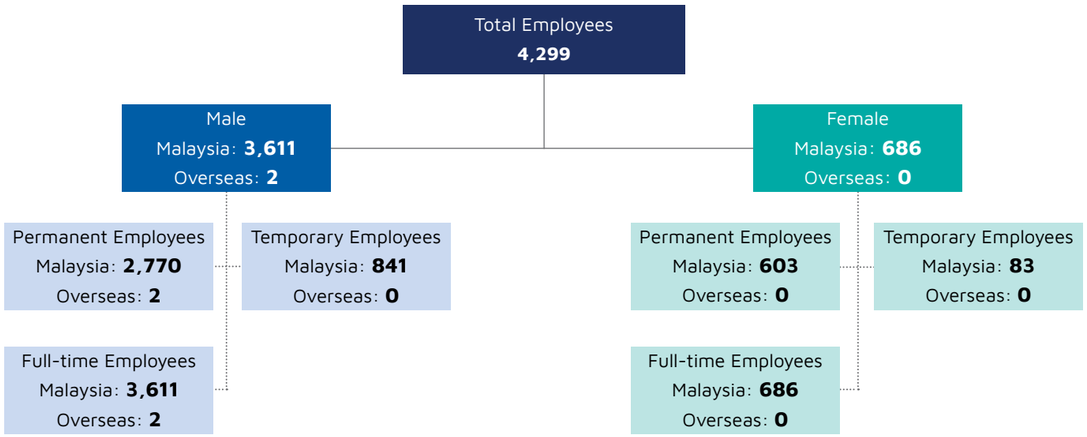
At Malakoff, talent acquisition and growth are pivotal to our success. We prioritise attracting top-tier candidates through a rigorous recruitment process that values diversity and inclusivity. Once onboard, employees are nurtured through comprehensive training programmes and career development initiatives. Our commitment to continuous learning ensures that our workforce remains agile and innovative, ready to tackle emerging challenges in the sector.

Our strategic focus on talent acquisition is reflected in the diverse breakdown of our workforce, encompassing gender and employment status. In 2025, our workforce in Malaysia and Oman totalled 4,299 employees. Permanent employees made up 79% of this number, and contractors or temporary staff accounted for the remaining 21%.



Competent personnel, supported by experience and continuous training, ensure operational integrity.

Employees by Gender and Employment Status: Malaysia & Overseas



Note: Overseas office refers solely to Oman, as the Group does not have employees in other overseas locations.

For the year under review, Malakoff recorded no non-guaranteed hours employees and no part-time employees.

New Employee Hires and Employee Turnover

In the past year, Malakoff has welcomed a diverse group of new hires, strengthening our team with fresh talent and diverse perspectives. While we experienced some employee turnover, our focus remains on fostering a supportive and dynamic work environment that attracts and retains top talent.

New Employee Hires

2023	
Total Employee Hires	903
Gender %	
Male	90%
Female	10%
Age Group %	
<30 years	37%
30-50 years	56%
>51 years	7%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

2024	
Total Employee Hires	529
Gender %	
Male	84%
Female	16%
Age Group %	
<30 years	57%
30-50 years	40%
>51 years	3%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

2025	
Total Employee Hires	419
Gender %	
Male	83%
Female	17%
Age Group %	
<30 years	49%
30-50 years	46%
>51 years	5%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

Note: To enhance comparability, this section presents the breakdown of new employee hires by gender and age group in percentage terms. The corresponding figures in absolute numbers are provided in the Sustainability Performance Data on pages 222 to 227.

Employee Turnover

2023	
Total Employee Turnover	236
Gender %	
Male	77%
Female	23%
Age Group %	
<30 years	35%
30-50 years	54%
>51 years	11%
Employee Category %	
Top Management	-
Senior Management	1%
Middle Management	15%
Executive	22%
Non-executive	62%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

2024	
Total Employee Turnover	516
Gender %	
Male	78%
Female	22%
Age Group %	
<30 years	28%
30-50 years	48%
>51 years	24%
Employee Category %	
Top Management	1%
Senior Management	3%
Middle Management	6%
Executive	13%
Non-executive	77%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

2025	
Total Employee Turnover	233
Gender %	
Male	81%
Female	19%
Age Group %	
<30 years	28%
30-50 years	57%
>51 years	15%
Employee Category %	
Top Management	1%
Senior Management	2%
Middle Management	10%
Executive	23%
Non-executive	64%
Region	
Malaysia	100%
Saudi Arabia	-
Bahrain	-
Oman	-

Note: To enhance comparability, this section presents the breakdown of employee turnover by gender, age group and employee category in percentage terms. The corresponding figures in absolute numbers are provided in the Sustainability Performance Data on pages 222 to 227.

Talent Retention and Recruitment Enhancement Initiatives

Our recent data analysis highlights several key opportunities for growth. While the number of new hires has declined, we recognise the potential to enhance our recruitment strategies. Additionally, the rise in employee turnover presents us an opportunity to further improve our retention efforts, ensuring we build a resilient and dedicated workforce. The following are some of the initiatives which we have carried out to address these challenges and capitalise on the identified opportunities:

TVET Collaboration with the Ministry of Human Resources Malaysia

- Partnered with Public Skills Training Institutes to strengthen trainer capabilities through industry knowledge-sharing.
- Supported talent development by providing access to Malakoff's facilities, equipment and funding for training programmes.

Career Fairs and Engagement with Young Graduates

- Engaged young graduates through career fairs and outreach programmes.
- Enhanced employer branding by showcasing Malakoff's operations and career opportunities.

Project Management Professional (PMP) Certification Programme

- Supported employees in attaining the PMP certification.
- Equipped project managers with advanced skills to effectively manage complex projects and support Malakoff's growth.

Employee Benefits

We provide fair and comprehensive employee benefits that support well-being, financial security and work–life balance. Our benefits framework aligns with statutory requirements and reflects the Group's commitment to attracting, retaining and sustaining a resilient workforce.

Core Benefits
- Competitive remuneration
- Statutory contributions
- Medical and hospitalisation coverage

Work–life Support
- Annual, medical, compassionate, parental leaves

Well-being and Engagement
- Welfare benefits
- Engagement and recognition initiatives

Learning and Development
- Training and development courses
- Education assistance programme
- Exam leave

Training and Development

We invest in continuous training and development to empower our workforce and enable them to reach their full potential. Our goal is to ensure our employees are adaptable in rapidly changing industries. The People Division identifies skill gaps within the Group. It organises tailored training programmes to address these gaps, encompassing both soft skills and technical capabilities.

Employee Training Programmes at Energy Business

In 2025, our investment of RM1.63 million in employee training programmes for our Energy business and supporting departments resulted in 29,504 training hours. This equates to an average of 13.85 training hours per employee.

Employee Training

By Gender

	Male	Female
Total number of training hours	25,509 FY2024: 23,628 FY2023: 28,774	3,995 FY2024: 3,186 FY2023: 3,844
Average training hours per employee	13.90 FY2024: 15.20 FY2023: 14.77	13.50 FY2024: 13.50 FY2023: 14.56

By Employee Category

Top Management		
	4 FY2024: 48 FY2023: 64	4.00 FY2024: 16.00 FY2023: 0.07
Senior Management		
	443 FY2024: 415 FY2023: 477	18.00 FY2024: 13.83 FY2023: 0.53
Middle Management		
	6,559 FY2024: 5,885 FY2023: 8,437	13.00 FY2024: 14.68 FY2023: 9.32
Executive		
	10,470 FY2024: 10,551 FY2023: 13,815	15.00 FY2024: 14.26 FY2023: 15.27
Non-Executive		
	12,028 FY2024: 9,915 FY2023: 9,825	13.00 FY2024: 16.10 FY2023: 10.86

■ Total No. of Training Hours ■ Average Training Hours Per Employee

Employee Training Programmes at Environmental Solutions

In 2025, we invested RM571,034 in employee training programmes at our Environmental Solutions business, delivering a total of 11,420 training hours. This resulted in an average of 19.72 training hours per employee.

Employee Training

By Gender

	Male	Female
Total number of training hours	7,170 FY2024: 32,826 FY2023: 29,048	4,250 FY2024: 9,046 FY2023: 11,475
Average training hours per employee	18.62 FY2024: 11.33 FY2023: 10.17	21.91 FY2024: 17.36 FY2023: 20.56

By Employee Category

Top Management		
	96 FY2024: 162 FY2023: 221	48.00 FY2024: 32.30 FY2023: 6.90
Senior Management		
	240 FY2024: 2,074 FY2023: 278	34.29 FY2024: 41.48 FY2023: 9.50
Middle Management		
	2,988 FY2024: 1,180 FY2023: 3,663	37.82 FY2024: 32.76 FY2023: 10.10
Executive		
	3,862 FY2024: 7,404 FY2023: 10,826	24.13 FY2024: 31.24 FY2023: 11.80
Non-Executive		
	3,649 FY2024: 18,127 FY2023: 13,257	15.87 FY2024: 29.57 FY2023: 9.40
General Worker		
	586 FY2024: 12,926 FY2023: 6,955	5.80 FY2024: 5.22 FY2023: 3.83

■ Total No. of Training Hours ■ Average Training Hours Per Employee

Achievements

Number of Soft Skills and Functional Training Conducted: **82**

Number of Technical Training Conducted: **309**

162 Certification Programmes and **803** Participants Certified

Looking Ahead

Malakoff will continue to strengthen its talent management and development practices to remain aligned with industry standards. The Group will prioritise employee growth through ongoing investment in training and development, while fostering a diverse and inclusive workplace that supports innovation and collaboration. By regularly reviewing employee engagement and satisfaction, Malakoff aims to maintain a supportive work environment that enables long-term organisational success.



Through in-depth technical discussions, system-level knowledge sharing and collaborative problem-solving sessions, participants can identify opportunities to enhance operational efficiency and support innovation.

M11 HUMAN AND LABOUR RIGHTS

Why It Matters

As an Energy and Environmental Solutions provider in Malaysia, our business plays a critical role in supporting the implementation of the NEP 2022–2040, which aims to transform Malaysia into a progressive low-carbon country. The policy underscores the importance of balancing decarbonisation with social inclusivity, public well-being and sustainable economic growth, which are integral to how we operate and grow our core businesses.

Our people are the driving force behind reliable energy delivery, innovative environmental solutions and sustained national value creation. With the energy sector accounting for approximately 25% of Malaysia's workforce[1], upholding human and labour rights is not only a moral and ethical responsibility, but also a strategic imperative to support a just and resilient energy transition. By safeguarding fair employment practices, we ensure that our operations contribute positively to national development while strengthening the foundations of a stable and equitable society.

Our commitment to human rights ensures a workplace free from forced labour, child labour, discrimination, harassment and unfair practices across our operations and value chain. We promote diversity, equal opportunity and respectful labour relations to protect employee well-being, attract and retain talent, and enhance productivity. By treating all employees and contractors with dignity and adhering to applicable labour laws, we foster a collaborative, inclusive and high-performing workforce, enabling the sustainable growth of our Energy and Environmental Solutions businesses and reinforcing our long-term competitiveness.

Risks

Failure to uphold human and labour rights may result in legal action, regulatory penalties, reputational damage and challenges in attracting and retaining talent. Poor labour practices may also adversely affect employee morale and productivity.

Opportunities

Strong human rights practices enhance our reputation as a fair and trusted employer, supporting talent retention, workforce morale and operational performance, while contributing to long-term business resilience.

[1]Source: National Energy Policy 2022-2040

Management Approach

We continue to uphold human rights and foster positive labour relations across our operations, with our approach shaped by the following policies and guidelines. This ensures our commitment to the highest standards:

- Malakoff Code of Conduct
- Malakoff Employee Handbook
- Disciplinary Management Manual
- Sexual Harassment Manual
- Performance Improvement Programme Manual
- Gift and Business Courtesy Policy
- Grievances Management Manual

Since 2023, we have officially joined the UNGC, the world's largest sustainability initiative for the development, implementation and disclosure of responsible business practices. This ongoing membership has affirmed our commitment to upholding the 10 universally accepted principles of the UNGC in the areas of environment, human rights, labour standards and anti-corruption.

Our Initiatives

In 2025, we implemented a range of initiatives to manage human rights and labour relations:

Child Labour, Forced Labour and Compulsory Labour

We remain committed to eliminating child labour, forced labour and compulsory labour within our operations, ensuring that our practices meet international standards and adhere to ethical guidelines. This includes aligning our practices with the International Labour Organization's (ILO) Forced Labour Conventions and the 2014 Protocol, as well as complying with the Employment Act 1955 and the Industrial Relations Act 1967, which prohibit such practices and provide effective reporting mechanisms.

We also focus on establishing fair and transparent recruitment practices, ensuring that all hiring processes are free from exploitation. We are steadfast in implementing rigorous monitoring, which allows us to identify and mitigate any risks to human rights or labour relations. To support workers who may have been subjected to forced labour, we are implementing due process mechanisms for effective remediation. Through regular and transparent reporting, including in our annual reports, we are building accountability and trust with our stakeholders. Additionally, we sustained our active participation in awareness campaigns that focus on preventing forced labour and promoting ethical practices across the industry.

Minimum Notice on Operational Changes

Building on our approach from 2023, we continued to provide employees with advance notice of any changes to their work location, roles or other employment-related matters across all operating sites. This practice continued into 2025, ensuring that operational changes were deliberated and negotiated between employee unions and management for a fair and structured transition. The implementation of these changes takes effect upon reaching mutual agreement. As stipulated in Collective Agreements, the consultation and negotiation period was extended over six months. The notice period and related terms are outlined in Article 5: Date and Duration of Collective Agreement and Article 15: Notice of Termination of Service of the Collective Agreement.

Maintaining Harmony Working Environment through Collective Bargaining

We continue to uphold our employees' right to participate in labour unions. With two in-house Unions, we actively hold Joint Consultative Meetings on a quarterly basis between Management and our two in-house unions in updating information, addressing matters related to the welfare of our employees with amicable solution, in line with local regulations. Throughout 2025, 35% of our general worker employee group remained covered by Collective Agreements (2024: 33%), while we continued to establish fair employment terms for those not under such agreements.

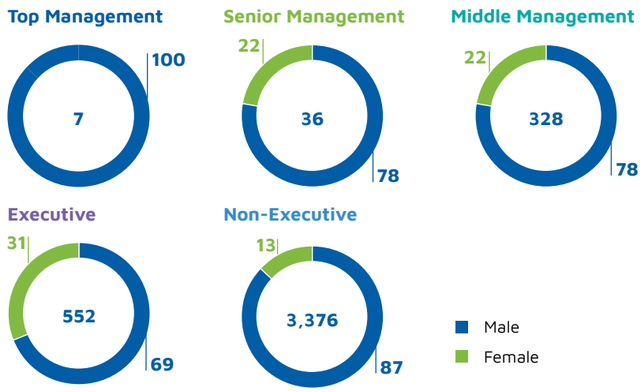
Diversity and Equal Opportunity

We believe that an inclusive and diverse workplace is fundamental to our success. Our commitment to equal opportunity ensures that all individuals are recognised for their skills, abilities and potential, with merit as the guiding principle. This approach not only enhances employee satisfaction but also strengthens our reputation as an employer of choice. By embracing a range of perspectives, backgrounds and experiences, we create an environment where creativity, innovation and collaboration can flourish. This diversity strengthens our ability to solve complex challenges and fosters a more resilient and dynamic talent pool.

Performance and Outcomes

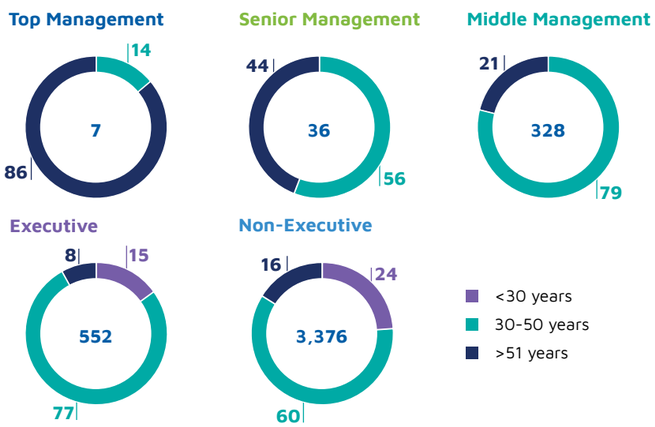
Employee Demographics
Total Employees: 4,299

Gender %



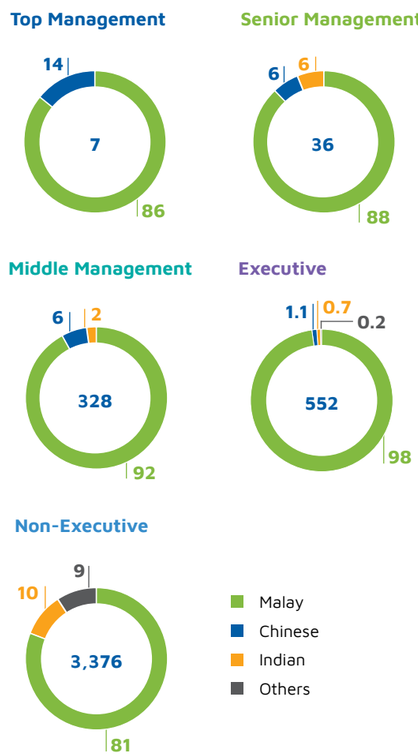
In 2025, gender representation was evident across most employee categories. Female representation was highest at the executive level (31%) and consistent across middle and senior management (22% each), with participation at non-executive level (13%), reflecting a leadership pipeline for gender diversity.

Age Group %



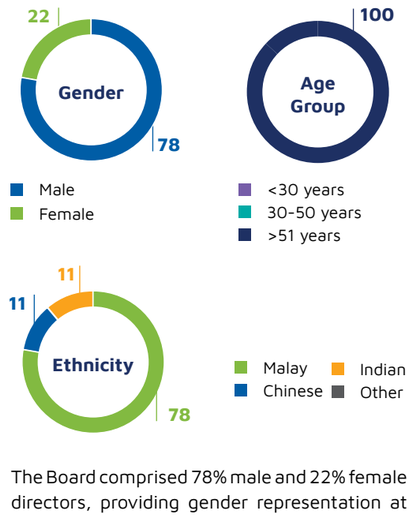
The workforce in 2025 showed a balanced age profile, with the majority of employees across non-executive to senior management levels aged 30 to 50 years, complemented by experienced employees above 50. Top management was predominantly above 50, reflecting depth of experience and leadership continuity.

Ethnicity %



The workforce reflected ethnic diversity across all employee categories, with Malay employees forming the majority, alongside Chinese, Indian and other ethnic groups. Representation across levels indicates that employment and progression opportunities are accessible across ethnic backgrounds.

Board Members Diversity by Gender, Age Group and Ethnicity (%)



The Board comprised 78% male and 22% female directors, providing gender representation at Board level. All Board members are above 51 years of age, reflecting depth of experience. The Board included directors from Malay, Chinese and Indian ethnic backgrounds, supporting inclusive governance.

Fair Wage Practices
We are committed to fair and competitive remuneration in accordance with the Malaysia's Employment Act. We uphold minimum wage regulations and ensure equitable pay practices across all employee categories.

The data and analysis presented above are limited to the current reporting period. Data for prior reporting periods (2023 and 2024) are available in the Sustainability Performance Data on pages 222 to 227.

Ratio of Basic Salary and Remuneration of Women to Men for Energy Business and KLHQ

Employee Category	Ratio	
	Basic Salary	Remuneration
Top Management	0.00	0.00
Senior Management	0.81	0.91
Middle Management	0.84	0.38
Executive	0.77	0.04
Non-Executive	0.93	0.10

Ratio of Basic Salary and Remuneration of Women to Men for Environmental Solutions (Alam Flora)

Employee Category	Ratio	
	Basic Salary	Remuneration
Top Management	0.00	0.00
Senior Management	0.99	0.04
Middle Management	0.92	0.72
Executive	0.97	0.52
Non-Executive	1.12	0.48

The data and analysis presented above are limited to the current reporting period. Data for prior reporting periods (2023 and 2024) are available in the Sustainability Performance Data on pages 222 to 227.

We recognised that some of the ratios by employee category are lower. The Group is committed to maintaining a healthy wage ratio of women to men and fostering a fair and inclusive workplace by providing equitable opportunities for professional growth, training mentorship and career advancement for all employees.

Given the nature of our Environmental Solutions' concession operations, which involve a significant number of general workers, we adopted the Minimum Wages Order 2024 in 2025, increasing the entry-level wage to RM1,700 or RM8.72 per hour from RM1,500 or RM7.89 per hour previously. This revision benefitted more than 2,000 employees at Alam Flora and underscores our commitment to fair and responsible remuneration. In addition, under the Collective Agreement, eligible employees receive annual wage increments regardless of company performance, subject to satisfactory conduct throughout the year.

Employee Engagement Survey

In 2025, the Group conducted its Employee Engagement Survey, with the results as follows:

Energy Business and KLHQ	
Response Rate: 98%	Engagement Index: 72.9%
Environmental Solutions	
Response Rate: 97%	Engagement Index: 79.4%

The results provided valuable insights into workforce sentiment, highlighting areas of strength and opportunities for continued development, and will serve as a key reference in guiding future people strategies and initiatives.

Engagement Programmes and Sessions with Employees

Iftar Delicacies Distribution

In celebration of the holy month of Ramadan 2025, Malakoff organised the distribution of *Iftar* delicacies to KLHQ employees as a gesture of appreciation.

HR2U Day 2025

Malakoff continued to strengthen employee engagement through the annual HR2U Day programme, conducted across all operational locations. The initiative brought together employees from various levels and functions for meaningful engagement sessions with representatives from the People Division. Held over two days at each of the Group's business locations, HR2U Day provided an important platform to inculcate open communication, address employee concerns and reinforce trust and collaboration in the workplace.

Annual Wellness Programme

During the HR2U Day 2025, two wellness initiatives to promote healthy lifestyles among employees were launched: the Zero MC Challenge and the Malakoff Well-Lympics Challenge 2025.

The Zero MC Challenge rewarded employees who recorded zero medical leave from July to December 2025 with RM150 each, motivating staff to maintain good health and reduce absenteeism. A total of 91 employees achieved this milestone.

The Malakoff Well-Lympics Challenge 2025 was a six-month programme aimed at fostering sustainable health practices and positive lifestyle changes. The initiative attracted 197 participants, who engaged in monthly wellness webinars, physical fitness sessions, weekly "Monday Reset" emails and monthly weight measurements to track progress throughout the programme.

Malakoff also introduced the "Use The Stairs, Skip The Lift" campaign for KLHQ employees, a simple yet effective initiative to encourage daily movement and promote employee well-being at work. The campaign successfully raised awareness of healthy habits in the workplace and inspired employees to incorporate small, consistent physical activities into their daily routines.

Long-Term Service Award

Malakoff honoured 87 employees with the Long-Term Service Award in recognition of their dedication, loyalty, and enduring commitment. The recipients included 22 employees celebrating 10 years of service, 18 employees with 15 years, 19 employees with 20 years and 14 employees marking 25 years of service.

Notably, 2025 marked a historic milestone as Malakoff celebrated, for the first time, 14 employees who have dedicated 30 years of service. This remarkable achievement underscores Malakoff's deep appreciation for their unwavering loyalty, invaluable contributions, and the shared journey of growth that has shaped the organisation over the past three decades. The awards were presented during the *Meriahnya Syawal* events held across all business locations.

Malakoff 50th Anniversary Family Fiesta

Malakoff celebrated its 50th anniversary with the Family Fiesta, uniting employees and their families in a vibrant celebration of community, appreciation, and shared spirit at Putrajaya Wetlands Park. The event commenced with the collection of "green tickets" through the #KitaRecycle initiative, highlighting the Group's ongoing commitment to sustainability.

The celebration featured an address by the GCEO, a giant commemorative balloon release, a 5-km Fun Run/Walk and an emblem signing ceremony with the leadership team, symbolising five decades of growth and collective dedication. Employees and their family enjoyed traditional *kampung-style* games, a diverse food fiesta and a closing performance by guest artist Faizal Tahir, culminating in a grand lucky draw. The fiesta not only commemorated Malakoff's 50-year legacy but also reinforced the strong sense of community that continues to define the organisation.





Year-End Townhall Session with the GCEO and Malakoff School Care 2026

Malakoff organised a Year-End Townhall session with the GCEO in December 2025. The session provided a valuable platform for employees to engage directly with the GCEO, encouraging open dialogue and offering an opportunity to raise questions and gain deeper insight into the Group's direction. In conjunction with the Townhall, Malakoff launched the Malakoff School Care 2026 programme for 254 eligible employees, benefiting a total of 496 employees' children who were entering primary or secondary school. This initiative underscored the Group's continued commitment to supporting employees and their families by providing school bags and vouchers for school attire, helping staff prepare for the new school year with ease.

Achievements

ZERO
substantiated complaints concerning human rights violations

ZERO
discrimination cases reported in 2025

Looking Ahead

Malakoff will continue to strengthen human and labour rights by promoting transparent communication, meaningful employee engagement and ongoing investment in training, well-being and workplace safety. Regular assessments and employee feedback will guide the continuous improvement of our labour practices, supporting a fair, inclusive and collaborative work environment.

M19 COMMUNITY IMPACT

Why It Matters

Community development is a core element of Malakoff's sustainability approach and reflects our commitment to creating positive social impact across our areas of operation. Through structured and meaningful community engagement, we strengthen relationships with stakeholders, support social acceptance and contribute to long-term business sustainability. Our community initiatives are designed to support local economic development and enhance the well-being of communities connected to our operations, enabling shared value creation for both the business and society.

Risks

Community dissatisfaction or unresolved grievances may lead to regulatory scrutiny, operational disruptions, reputational damage and, in some cases, security incidents that could affect business continuity and productivity.

Opportunities

Proactive community engagement builds trust, strengthens relationships with local stakeholders and enhances social acceptance, supporting long-term operational viability while reducing the risk of conflict and reputational impact.

Management Approach

Malakoff's community engagement is guided by its sustainability framework and CSR pillars, which provide a structured approach to delivering meaningful and inclusive community development initiatives. These efforts are supported by internal policies and Standard Operating Procedures certified under the ISO 37001 Anti-Bribery Management System, ensuring transparency, integrity and accountability in community investments.

Our environmental conservation and social development initiatives are aligned with the UN SDGs, with a focus on promoting environmental responsibility, recycling and sustainable waste management across Malaysia. Through the Environmental Solutions' Communication, Education and Public Awareness (CEPA) strategy, we encourage positive behavioural change and community participation in environmental stewardship.

In parallel, our community programmes address socioeconomic needs through education support, skills development, disaster relief and community enrichment initiatives, particularly in underserved communities. Together, these efforts ensure the consistent delivery of impactful community support across our operational footprint.

Our Initiatives

Educational Programmes

"Jom Ke Sekolah" - Back To School Programme in Mukim Serkat, Johor
School Fee Assistance Handover Ceremony - Students in Kawasan 1 Mukim Serkat, Johor
Educational Trip with Adopted Schools
Bring Your Own Bag Awareness Campaign, Temerloh, Pahang

Community Enrichment Programmes

Share Our Love programme - residents of Asrama Darul Falah PERKIM, Kuala Lumpur
Qurban Meat Distribution, Segari
Qurban Meat Distribution, Mukim Serkat
Qurban Meat Distribution, Prai
Religious Talk, Segari
Iftar with Al Amin Mosque Congregation, Mukim Serkat
Iftar with Khairul Jariah Mosque Congregation, Segari
Iftar with Jamek Mosque Congregation, Prai
Zakat and Care Package for *Asnaf* (Tithes Recipients), Mukim Serkat
Zakat and Care Package for *Asnaf* (Tithes Recipients), Segari
Zakat and Care Package for *Asnaf* (Tithes Recipients), Prai
Donation to Higher Education Institute *(IPT)* Students in Mukim Serkat and Segari
Donations to Mosques for *Dakwah* and Religious Activities in Mukim Serkat, Segari and Prai
Alam Flora *"Kongsi Rezeki"* Programme - Distribution of *Bubur Lambuk*
Donation to Fire Victims
Cleaning Workers' Day 2025 in Taman Gelora, Kuantan



Environmental Services, FIKS

Additionally, through AFES, we organised 72 educational visits at our Integrated Recycling Facility (IRF), Recovery Initiative Sustainable Eco-Facility Kuala Lumpur (RISE), and *Fasiliti Inovasi Kitar Semula* (FIKS). FIKS is the country's first integrated recycling and awareness facility, which received 1,897 visitors in 2025. These visits provided valuable insights into proper waste management practices and the importance of recycling, equipping participants with the knowledge to contribute meaningfully to environmental conservation.

Achievements

In 2025, a total of RM369,290 was invested in community pragrammes, which benefitted 5,000 individuals, with a breakdown below:

Breakdown of Community Investment

Energy business invested
RM250,000
focusing on education and community enrichment programmes which benefitted
3,000 individuals

Environmental Solutions business invested
RM119,290
focusing on community enrichment programmes, which benefitted
2,000 individuals

Looking Ahead

Malakoff will continue to strengthen community engagement through targeted development programmes across our operational areas. Our focus will be on delivering initiatives that support sustainable socioeconomic progress, including awareness-building and educational programmes that create positive and lasting outcomes for the communities in areas where we operate.

GOVERNANCE STEWARDSHIP

GOVERNANCE AS A CATALYST FOR INNOVATION, RESILIENCE AND INTEGRITY

Strong governance guides how we create long-term value and lead responsibly. Sustainable and innovative practices are built into daily decision-making through clear oversight, focused risk discipline and consistent application of ESG priorities. Continuous improvement shapes the way the business operates. Technology, data and structured controls are leveraged to enhance performance, strengthen resilience and increase transparency as it advances the energy transition. Integrity remains a defining expectation. Ethical standards are applied without compromise, supported by full compliance with laws and regulations and a zero-tolerance approach to corruption and misconduct. This commitment reinforces trust with stakeholders and protects the organisation's reputation.

GOVERNANCE STEWARDSHIP HIGHLIGHTS

Improved FTSE ESG Score from 3.3 to 3.4 (Score date: 22 December 2025)	Recognised as an **ESG-performing** PLC through its **inclusion in the FTSE4Good Bursa Malaysia Index** (Inclusion date: June 2025)	**Key ISO Certifications** maintained and renewed across Malakoff's operations
100% of Malakoff operations **assessed** for **corruption-related risks**	**77%** of Malakoff employees completed **Anti-Corruption training** (covering employees from the Energy business and KLHQ)	Recorded **ZERO** confirmed incidents of corruption
Almost **100% procurement budget** channeled to **local suppliers** (Energy: 98.9%, Environmental Solutions: 99.9%)	Recorded **ZERO** substantiated complaints concerning breaches of customer privacy or losses of customer data	**ZERO** material data leaks, thefts or losses recorded

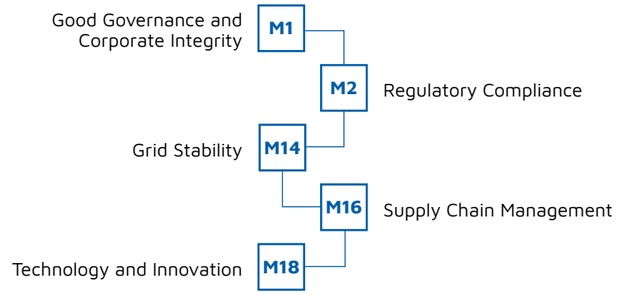
OUR APPROACH

Good governance starts with a clear stance on integrity. Our approach in managing Governance Stewardship aligns with national priorities to strengthen governance and integrity, including the National Anti-Corruption Strategy (NACS) 2024–2028, which sets out the country's direction to curb corruption and reinforce transparency and accountability. These expectations are reinforced through firm Board oversight, well-defined policies and disciplined, risk-based controls applied throughout the Group and value chain. As a UNGC participant since 2023, we reinforce our governance commitments by aligning our ethics and compliance programme with the UNGC Ten Principles, particularly Principle 10 on anti-corruption.



MATERIAL GOVERNANCE MATTERS

Our Material Governance Matters guide how we operate responsibly and build stakeholder trust. They cover Good Governance and Corporate Integrity, Regulatory Compliance and Supply Chain Management, which enable ethical conduct, accountability and responsible sourcing. While we do not manage overall Grid Stability, we support system reliability by complying with the Grid Code and responding to real-time energy demand requirements. Technology and Innovation further strengthen safety, efficiency and service reliability across our operations. Collectively, these priorities shape our policies, targets and performance monitoring to manage impacts, improve resilience and deliver long-term value for employees, customers, communities and shareholders.



The following section sets out Malakoff's Material Governance Matters under Governance Stewardship, as identified through our materiality assessment.



M1 GOOD GOVERNANCE AND CORPORATE INTEGRITY

Why It Matters

Good governance and corporate integrity are critical to Malakoff. A strong governance framework and ethical practices build stakeholder trust, mitigate operational risks, ensure regulatory compliance and protect our reputation. By upholding robust governance principles and ethical standards, we demonstrate accountability, foster a positive workplace culture and engage stakeholders who value integrity. As we pursue sustainable growth in a dynamic business landscape, we remain committed to strengthening our governance, ethics and integrity practices.

Risks

Weak governance can lead to corruption, unethical conduct, insufficient checks and balances and ineffective internal controls, which may undermine investor confidence and damage the Company's reputation.

Opportunities

Strong governance strengthens stakeholder confidence, supports continuous improvement and enables effective execution of our strategies.

Management Approach

Our approach to good governance and corporate integrity is embedded in Malakoff's organisational DNA. It is guided by established policies, structured frameworks and strategic guidelines that set clear expectations for transparency, accountability and ethical conduct across all operational levels.

The policies, frameworks and guidelines include:

Anti-Bribery & Corruption Management System (ABMS)

Our ABMS framework aligns with ISO 37001 to support integrity measures across our operations and have been audited and certified by SIRIM. We have also established integrated policies to strengthen governance practices, including the Anti-Bribery and Anti-Corruption (ABAC) Policy, Corruption Risk Assessment, Internal Compliance Audit Protocol, Gift Policy and Whistleblowing Policy. Together, these policies provide mechanisms for bribery risk management and operational integrity assurance.

Adequate Procedure (TRUST Principles)

Malakoff's Adequate Procedure framework aligns with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act) through the implementation of the TRUST principles. The framework encompasses Top Management Commitment, Risk Assessment protocols, Undertaking of Control Measures, Systematic Review mechanisms and Training programmes. These principles strengthen corruption risk mitigation and reinforce a culture of integrity and accountability across our operations.

We communicate our anti-corruption policies and procedures to relevant stakeholders through various engagement channels. Internally, the Board of Directors, Top Management, Senior Management, Middle Management, Executive and Non-Executive employees are informed via policy statements, email communications and the company intranet. Employees are also required to attend annual anti-corruption training.

Externally, business partners, including suppliers and vendors, receive information through awareness sessions, posters, banners and dedicated Vendor Day awareness sessions. These channels support understanding of, and adherence to, our anti-corruption standards across our operations and business relationships.

Our Initiatives

The following initiatives were implemented in 2025:

ABAC Awareness Programme

We conducted ongoing ABAC awareness training programmes for employees and business associates throughout the year, focusing on anti-bribery and anti-corruption to promote ethical conduct and strengthen vigilance against corrupt practices across the organisation. We also organised the Board of Directors & Senior Management Forum 2025 with the theme "Leading with Integrity: The Board's and Senior Management's Role in Sustainable Governance." Subsequent to the forum, a Corruption-Free Pledge session was held to reinforce the commitment to ethical conduct and accountable leadership.

In addition, to further equip employees with the necessary knowledge of their legal responsibilities regarding corruption offences under Section 17A of the MACC Act 2009, and to strengthen the role of integrity coordinators in supporting Malakoff's anti-corruption framework, a training session on Section 17A and Adequate Procedures based on the TRUST Principles was conducted. The session was attended by plant managers, heads of department, integrity coordinators, ABMS compliance auditors, and other Malakoff employees. For vendors, we conducted the Vendor Anti-Bribery and Anti-Corruption Awareness Session 2025 to brief vendors on anti-bribery regulations and compliance requirements.

For employees, we conducted continuous integrity awareness and anti-bribery training programmes to institutionalise ethical behaviour across all levels of the organisation. These initiatives strengthened employees' understanding of compliance obligations, conflict of interest management and reporting responsibilities.

Corruption Risk Register Online Database

We assessed corruption risks related to our activities and recorded them in our online database through the TricorRadar system to support effective monitoring and management of integrity and corruption-related risks.

Audit Programmes

In 2025, we conducted three audit programmes to ensure our operations adhere to our governance, ethics and integrity framework:

- ABMS Internal Compliance Audit
- Third-Party Surveillance Audit (SIRIM)
- Group Internal Audit



On 7 October 2025, Malakoff KLHQ organised the Vendor ABAC Awareness Day 2025 with the MACC. The session brought together plant leadership, integrity representatives and vendors nationwide to reinforce shared accountability for ethical conduct. Key discussions covered evolving ABAC enforcement, vendor responsibilities and Malakoff's Vendor Code of Conduct. The programme strengthened awareness of compliance expectations and supports Malakoff's commitment to Section 17A of the MACC Act and ISO 37001 Anti-Bribery Management System.



On 23 December 2025, Malakoff's Environmental Solutions arm, Alam Flora hosted Vendor Day: Ethical Partnerships for a Sustainable Future to reinforce integrity, accountability and sustainability across its supply chain. The programme brought together leadership and vendors to align expectations on ethical conduct, procurement discipline and good governance. An integrity and governance briefing enhanced transparency, while 29 integrity coordinators were recognised for advancing ethical practices. The initiative underscores Alam Flora's commitment to responsible partnerships and strong corporate governance across its value chain.

Performance and Outcomes

Communication and Training on Anti-Corruption Policies and Procedures

We also reinforced Malakoff's anti-corruption policies and procedures through training and awareness initiatives to strengthen ethical conduct across all levels of the organisation:

Energy Business and KLHQ	Number	Percentage (%)
Stakeholders		
Board of Directors	6	75
Business Partners	989	40
Employees	713	77
Breakdown of Employees by Category		
Top Management	4	1
Senior Management	24	3
Middle Management	206	22
Executive	267	28
Non-Executive	212	23

In 2025, 19 ABAC awareness sessions and roadshows were held to engage employees across all organisational levels, with a total of 713 participants, representing 77% of the Energy business and KLHQ workforce.

Environmental Solutions Business	Number	Percentage (%)
Stakeholders		
Board of Directors	8	89
Business Partners	1,367	100
Employees	1,304	39
Breakdown of Employees by Category		
Top Management	4	0.12
Senior Management	3	0.09
Secondment Officers	1	0.03
Middle Management	174	5
Executive	133	4
Non-Executive	989	30

In the year under review, 61 ABAC awareness sessions and roadshows were held to engage employees across all organisational levels, with a total of 1,304 participants, representing 39% of the Environmental Solutions business' workforce.

Operations Assessed for Risks Related to Corruption

In 2025, we assessed Malakoff's potential corruption risks across our operations through systematic evaluation of business activities and internal controls to strengthen anti-corruption measures:

100%
of operations assessed for risks related to corruption

ZERO
Significant risks related to corruption identified through the risk assessment

Note: The data above covers only Malakoff's Energy operations and the corporate headquarters (KLHQ). The Environmental Solutions business began assessing its operations in 2025, and the assessment is ongoing.

Confirmed Incidents of Corruption and Action Taken

In 2025, the Group reported
ZERO
confirmed incidents of corruption

Looking Ahead

As part of our continuous effort to improve our existing ABMS, we are aligning our current ABMS Framework to the National Anti-Corruption Strategy 2024–2028, which emphasises enhanced anti-bribery measures to support strong governance and integrity.



M2 REGULATORY COMPLIANCE

Why It Matters

Malakoff operates in highly regulated sectors encompassing power generation and environmental solutions, where compliance with energy, environmental, safety and governance requirements is critical to business continuity, asset reliability and stakeholder confidence. Regulatory compliance safeguards the Group's licence to operate, supports long-term asset performance and underpins responsible business conduct across the value chain. As regulatory expectations continue to evolve, maintaining strong compliance standards is essential to protecting enterprise value and supporting sustainable growth.

Risks

Non-compliance with applicable laws, licence conditions or regulatory standards may result in fines, sanctions, operational disruptions, temporary or permanent closure of operating sites, increased rectification costs and reputational damage. Regulatory breaches may also pose health and safety risks to employees, contractors and local communities, and expose the Group to heightened scrutiny from regulators and other stakeholders.

Opportunities

Strong regulatory compliance enhances Malakoff's reputation as a responsible operator, supports stable and efficient operations, and strengthens trust with regulators, communities and business partners. A proactive compliance culture also improves workforce morale and productivity, enables timely response to regulatory changes and reinforces the Group's long-term resilience in a tightly regulated operating environment.

Management Approach

Malakoff adopts a proactive and structured approach to regulatory compliance, aligned with the expectations of Bursa Malaysia and our sustainability reporting approach. Oversight sits with the Board of Directors and Senior Management, supported by clear roles and accountabilities at corporate and operating asset levels. We maintain a compliance framework that translates applicable legal and regulatory obligations into policies, procedures and operational controls across our Energy and Environmental Solutions businesses. Regulatory requirements and emerging developments are monitored on an ongoing basis, with updates communicated to relevant functions.

Our Initiatives

At Malakoff, regulatory compliance is integral to maintaining business continuity, protecting our licence to operate and sustaining stakeholder confidence across our Energy and Environmental Solutions businesses. We comply with applicable international standards and Malaysian laws and regulations, and we continuously strengthen our compliance practices to remain effective as regulatory requirements evolve.

For more information on Malakoff's compliance practices, refer to the Corporate Governance Overview Statement on pages 250 to 272.

To translate regulatory requirements into day-to-day operational discipline, we implemented the following initiatives across the Group:

01 Governance and Accountability
Board and Senior Management oversight of compliance obligations, with defined roles, clear accountability and escalation channels.

02 Regulatory Monitoring
Monitoring of applicable legal requirements and licence/permit conditions, supported by a compliance obligations register and periodic updates.

03 Compliance Assurance
Risk assessments, internal audits and compliance reviews, with findings tracked to closure through corrective and preventive actions.

04 Operational Controls
Routine monitoring in key areas (environment, safety, plant operations, waste management) supported by checklists/ inspections, reporting and follow-up.

05 Quarterly Action Plans & Reviews
Quarterly risk-mitigation action plans and safety performance reviews to strengthen preventive controls and oversight.

06 People Capability and Culture
Targeted training and briefings to reinforce compliance responsibilities (employees and contractors where relevant).

07 Third-Party Governance
Contractor/vendor requirements aligned to relevant regulatory requirement and site access and safety rules, supported by onboarding briefings and periodic engagement.

08 Independent Oversight
Internal audit observations escalated to the BAC, with management responses and close-out monitoring.

Note: The initiatives above are supported by relevant management systems and certifications (where applicable), and are continuously improved based on audit outcomes, regulatory inspections, corrective actions and operational learnings.

Key Regulatory Frameworks and Standards

The following summarises key international and local requirements relevant to Malakoff and directs readers to the sections where implementation and performance are described in detail:

International Regulations and Standards

ISO standards
Refer to **Operational Excellence** (pages 148 to 149)

Human Rights standards outlined by the ILO
Refer to **Human and Labour Rights** (pages 192 to 197)

GHG Protocol Corporate Standard
Refer to **GHG Emissions** (pages 155 to 160) and **Climate-related Disclosures (Sustainability Statement)** (pages 228 to 239)

Ten Principles of the UNGC
Refer to **Environmental Stewardship** (pages 146 to 173), **Human and Labour Rights** (page 192), and **Good Governance and Corporate Integrity** (page 200)

Malaysia's Regulations and Standards

Companies Act 2016
Refer to **Corporate Governance Overview Statement** (pages 250 to 272)

Malaysian Code on Corporate Governance 2021
Refer to **Corporate Governance Overview Statement** (pages 250 to 272)

Malaysian Anti-Corruption Commission Act 2009
Refer to **Good Governance and Corporate Integrity** (pages 202 to 205)

Environmental Quality Act 1974
Refer to **Environmental Stewardship** (pages 146 to 173)

Occupational Safety and Health (Amendment) Act 2022 (Act A1648)
Refer to **Occupational Safety and Health** (pages 176 to 182)

Bursa Malaysia Main Market Listing Requirements

Refer to **Corporate Governance Overview Statement** (pages 250 to 272) and **Investor Relations** (pages 90 to 93)

Renewable Energy Act 2011

Refer to **Renewable Energy Transition** (pages 150 to 151)

National Policy on Climate Change

Refer to **GHG Emissions** (pages 155 to 160) and **Energy Mix and Efficiency** (pages 152 to 155)

Solid Waste Management and Public Cleansing Act 2007 (Act 672)

Refer to **Business Review: Environmental Services** (pages 114 to 122)

Note: The list of International and Malaysia's Regulations and Standards presented above is non-exhaustive and is intended to highlight key requirements applicable to the Group.

Achievements

In 2025, Malakoff's consistent focus on enhancing ESG governance and performance is reflected in its improved FTSE ESG Score and its inclusion in the FTSE4Good Bursa Malaysia Index. These milestones demonstrate the Group's progress in embedding sustainability considerations into its operations and decision-making processes.

FTSE4Good

Improved FTSE ESG Score from 3.3 to 3.4
(Score date: 22 December 2025)

Recognised as an **ESG-performing** PLC through its **inclusion in the FTSE4Good Bursa Malaysia Index**
(Inclusion date: June 2025)

Malakoff's management systems continue to be benchmarked against internationally recognised standards. The maintenance and renewal of key ISO certifications during the year demonstrate the Group's structured approach to managing environmental, safety, quality, integrity and information security risks across its operations.

ISO Certifications maintained/ renewed across relevant operations:

- ISO 14001:2015 Environmental Management Systems
- ISO 9001:2015 Quality Management Systems
- ISO 45001:2018 Occupational Health and Safety Management Systems
- ISO 37001 Anti-Bribery Management Systems
- ISO 27001:2022 Information Security Management Systems

Looking Ahead

Malakoff will focus on reinforcing regulatory compliance as a core enabler of operational resilience and licence to operate. This includes continuous enhancement of governance, people capability and assurance mechanisms, as well as ongoing reviews of compliance practices to remain aligned with regulatory developments and market expectations.

M14 GRID STABILITY

Why It Matters

The National Grid, which spans the entire Peninsular as the main transmission network, serves as a crucial backbone for meeting energy demand. Without a reliable grid system, electricity supply and other services could be disrupted. The National Grid is owned by TNB and overseen by the Grid System Operator (GSO). The GSO is responsible for the real-time operation and management of the Peninsular grid system, as well as short- and medium-term planning for both transmission networks and generation facilities to ensure efficiency and reliability.

The NETR aims to increase RE installed capacity to at least 70% by 2050, making the transition to a sustainable energy mix a key priority. Achieving this target will require significant upgrades to grid infrastructure to support the integration of RE sources, while also accounting for long-term emissions from the energy sector. Major investments in improving the National Grid's infrastructure are expected to facilitate RE integration, connect new generation capacity to the grid and meet the rising demand for electricity, while improving energy efficiency and customer service.

Risks

Grid constraints or instability may limit dispatch and reduce power sales, impacting revenue.

Opportunities

Higher system demand and improved grid reliability may increase dispatch, enabling higher power sales.

Management Approach

Although we are not directly responsible for managing the National Grid, we adhere to the Grid Code for Peninsular Malaysia, a regulatory instrument used to coordinate various electricity supply activities of the electricity producer, operator, distributor and the consumer. Malakoff has a role to play in ensuring the grid's stability and reliability. By maintaining consistent and efficient power generation, reliable operations of our power plants prevent fluctuations that could disrupt the grid.

Effective coordination with the GSO is essential, as our power plant operators must respond to real-time energy demands, ramping our generation up or down as needed to maintain the grid frequency and generation levels accordingly. Additionally, adherence to strict operational standards, regular maintenance and rapid response to unexpected issues all contribute to minimising the risk of grid disturbances. This commitment does not only improve the overall stability of our facilities but also ensures uninterrupted supply of electricity for the nation.

For more information about our generated electricity to the grid which accounts for 22% of Peninsular Malaysia's generated electricity, please refer to Business Review: Thermal on pages 96 to 100.



M16 SUPPLY CHAIN MANAGEMENT

Why It Matters

Supply chain and procurement are critical enablers of Malakoff's two business pillars, which are Energy and Environmental Solutions, supporting operational continuity, cost discipline and long-term value creation.

In Energy, reliable fuel availability is fundamental to the safe and efficient operation of our power plants and our ability to meet contractual generation obligations, while balancing the energy trilemma of security, affordability and sustainability. Fuel supply for power generation are largely determined under the sector's regulatory and contractual framework involving the electricity offtaker and fuel suppliers. Accordingly, our role focuses on operational readiness, coordination and compliance to ensure coal and natural gas supplied are utilised efficiently to meet generation requirements.

In Environmental Solutions, procurement is central to securing the equipment, services and materials required to deliver contractual outcomes and maintain service standards. Across both pillars, transparent and ethical procurement practices, together with prioritising local vendors where feasible will strengthen supply chain resilience, support domestic economic participation and foster long-term supplier relationships.

Risks

Disruptions in fuel availability for power generation, supplier performance issues, cost volatility or gaps in responsible practices among suppliers and contractors may affect operational reliability, cost efficiency, contractual performance and the Group's reputation.

Opportunities

Strengthening supplier engagement, procurement governance and the progressive integration of ESG requirements can enhance supply chain resilience, improve operational performance and support sustainable value creation across both Energy and Environmental Solutions.

Management Approach

In the Energy business, fuel supply for power generation are largely determined under the sector's regulatory and contractual framework involving the electricity offtaker and fuel suppliers. In addition to this overarching framework, we are responsible for executing and managing our own fuel supply agreements to support and secure the required fuel for our operations, including contracts such as the Coal Supply and Transportation Agreement (CSTA) and the Gas Supply Agreement (GSA), which help ensure the reliability and continuity of fuel supply for our generating assets.

Beyond this, our focus also extends to the broader procurement governance and the operational coordination and compliance with contractual arrangements to support reliable plant operations and the efficient utilisation of the fuel supplied. Procurement activities related to plant operations, maintenance and services are managed to ensure operational readiness, cost efficiency and continuity of generation.

In the Environmental Solutions business, procurement plays a central role in service delivery and contract performance. We manage the procurement of equipment, services and materials through structured planning and vendor management to ensure timely availability, quality outcomes and compliance with contractual and regulatory requirements.

Across both pillars, we prioritise local vendors where feasible and progressively integrate sustainability considerations into procurement processes to strengthen responsible practices, accountability and long-term value creation across the supply chain.

Environmental Assessment

We encourage vendors to progressively integrate sustainable practices within their operations and supply chains. This includes initiatives such as reducing emissions, improving resource efficiency, enhancing recycling practices, adopting renewable resources where feasible and optimising transportation and logistics. Environmental considerations are increasingly embedded into supplier assessment and engagement to support the sustainability of our operations.

Social Assessment

We recognise the importance of social responsibility and integrity in maintaining a sustainable and resilient supply chain. Vendors are required to comply with Malakoff's Vendor Code of Conduct, which sets expectations on ethical business conduct, transparency and integrity. These requirements support responsible business relationships and alignment with our broader commitment to social sustainability.

Our Initiatives

E-Auction Training for Vendors

The E-Auction training for vendors is conducted as and when required through the online bidding platform to ensure that vendors are equipped with the necessary skills and knowledge to participate effectively.

Awareness Programme with Vendors

Refer to Good Governance and Corporate Integrity on pages 202 to 203 for programmes with vendors.

Performance and Outcomes

Throughout 2025, the Group has spent RM832,778,093 for the vendors. The breakdown of the budget spent for the vendors are as follows:

Total Budget Spent for Local and Overseas Vendors

	Energy	Environmental Solutions
Total budget spent (RM)	519,435,470	313,342,623
Budget channelled to local vendors	98.9%	99.9%
Budget channelled to overseas vendors	1.1%	0.1%

Vendors Composition

	Energy	Environmental Solutions
Total vendors in the approved vendors list	2,930	1,367
Registered local vendors	93.5%	99.9%
Registered overseas vendors	6.5%	0.1%

Our procurement practices demonstrate a strong commitment to supporting local vendors and strengthening the domestic supply chain. During the year, almost all procurement spending was channelled to local vendors, with 98.9% of the RM519.4 million procurement budget in Energy and 99.9% of the RM313.3 million in Environmental Solutions allocated locally.

This focus is reinforced by our vendor composition, where 93.5% of approved Energy vendors and 99.9% of Environmental Solutions vendors are locally registered. This approach supports local businesses and resilient supply chains, while allowing for the selective use of overseas vendors for specialised needs.

Strengthening Equipment Supply Resilience for Power Generation



In October 2025, Malakoff entered into a Reservation Agreement with Mitsubishi Power, Ltd, a leading global original equipment manufacturer for the procurement of advanced gas turbine technology for planned combined-cycle power plant developments. The agreement secures access to high-efficiency gas turbines and reserves manufacturing and delivery slots ahead of final project execution, mitigating supply chain and scheduling risks amid tightening global equipment availability. This proactive approach strengthens supply certainty for critical generation assets, supports timely project development and reinforces Malakoff's commitment to reliable, efficient and lower emission power generation in line with national energy transition objectives.



Malakoff integrates resilient supply chain management and responsible sourcing into its operations to support long-term value creation across the Energy and Environmental Solutions portfolio.

Looking Ahead

Malakoff will continue to strengthen its supply chain and procurement practices through more structured governance, disciplined planning and enhanced sustainability integration. Our focus will be on progressively embedding responsible practices across the supply chain, strengthening supplier engagement and managing procurement-related risks, while maintaining operational efficiency and cost discipline. Through this approach, we aim to enhance supply chain resilience, support responsible sourcing and reinforce long-term value creation across both our Energy and Environmental Solutions businesses.

M18 TECHNOLOGY AND INNOVATION

Why It Matters

At Malakoff, we focus on implementing fit-for-purpose technology to protect business assets, safeguard information and support regulatory compliance. Strengthened digital controls and targeted technology investments enhance information security, operational resilience and the protection of critical infrastructure and essential services.

While rapid technological change presents implementation and investment risks, effective adoption also creates opportunities to improve efficiency, optimise costs and reduce reliance on manual processes. Continuous refinement of data privacy and cybersecurity measures supports business sustainability in an increasingly digital operating environment, alongside digital tools that improve field execution and accountability.

Risks

Rapid technological change in the energy sector may lead to inappropriate or obsolete technology adoption, resulting in operational inefficiencies, cybersecurity exposure and lower-than-expected returns on investment. Inadequate governance, weak integration with legacy systems or insufficient workforce readiness may further constrain value realisation and increase operational risk.

Opportunities

Effective use of digitalisation, automation and data analytics can enhance operational efficiency, asset reliability, and cost optimisation. These capabilities support improved decision making, reduce reliance on manual processes and strengthen the Group's competitiveness as the energy sector continues to evolve.

Management Approach

The Group's management approach to digitalisation and technological development is guided by the adoption of fit-for-purpose technology that supports operational resilience, information security and regulatory compliance. Digital initiatives are assessed through a structured governance framework to ensure alignment with business priorities, risk appetite and cost discipline, particularly in an environment of rapid technological change and evolving cyber threats.

Technology investments are evaluated based on their ability to enhance operational efficiency, asset reliability and data integrity, while avoiding premature or obsolete adoption. Key risks related to cybersecurity, system integration, data privacy and vendor dependency are identified through regular risk assessments and addressed through targeted controls and oversight.

The Group continues to strengthen its data governance and security practices in line with internal Information Management policies, procedures and manuals. Compliance with applicable regulatory requirements, including the Cybersecurity Act and data protection laws, remains a priority to safeguard critical information assets and maintain stakeholder confidence. This disciplined approach enables Malakoff to capture the benefits of digitalisation while managing technology-related risks and supporting long-term business sustainability.

Our Initiatives

Responsible Digitalisation and Cyber Resilience

The Group continues to strengthen its digital and cybersecurity capabilities as part of its commitment to safeguarding critical assets, protecting stakeholder information and supporting sustainable business operations. Cybersecurity and access controls were enhanced to improve the early detection and management of digital threats, reducing exposure to cyber risks while supporting the resilience of core systems. These measures contribute to a secure digital environment that enables the responsible use of technology across the organisation.

Ensuring Digital Resilience and Service Continuity

To support business continuity and system availability, the Group implemented solutions to protect digital platforms from disruption and unauthorised access. These initiatives help ensure the stability, reliability and availability of digital services that underpin operational and corporate functions. By strengthening system resilience, the Group supports uninterrupted service delivery and reduces the risk of technology-related disruptions to stakeholders.

Enhancing Asset Performance and Operational Efficiency

Digital tools were deployed to improve plant monitoring, performance analytics and asset management, providing greater visibility over operational conditions and asset health. Predictive maintenance capabilities enable earlier identification of potential equipment issues, supporting reduced unplanned outages, improved reliability and more efficient use of resources. These initiatives contribute to operational efficiency while supporting the responsible management of physical assets.

Supporting Governance, Compliance and Process Efficiency

The Group upgraded and automated selected systems to enhance operational reporting, regulatory compliance and performance tracking. Process automation and self service initiatives reduced manual intervention, improved efficiency and strengthened internal controls. Collectively, these efforts support strong governance, compliance with applicable regulatory requirements and the disciplined adoption of digital solutions in support of long-term sustainability.

Innovation Driving Cleaner and Smarter Urban Services

Alam Flora is advancing its vision for a cleaner and more sustainable future by embedding innovation into public cleansing and waste management operations. In alignment with the KPKT Circular Economy Blueprint for Solid Waste (2025–2035) and the 13MP, Alam Flora is adopting mechanisation and smart technologies to improve efficiency and reduce environmental impact. Initiatives include electric vehicles, automated cleaning equipment and solar-powered mobility solutions, with trials demonstrating productivity gains and lower carbon emissions. These efforts, undertaken in collaboration with SWCorp, support smarter, more resilient and community-centric urban services.



Malakoff Innovation Challenge

Following the strong success of the Malakoff Innovation Challenge 2024, Malakoff introduced the Innovation Challenge 2.0 in 2025 as a strategic continuation of its commitment to operational excellence, sustainability, and innovation. Building on the achievements and insights gained from the previous challenge, the 2025 edition introduced a refined approach through the establishment of two dedicated cohorts:

Engineering-Based

Non-Engineering-Based

This structure aims to broaden participation beyond technical functions, ensure fair and relevant evaluation criteria for different types of initiatives, and encourage diverse innovation from both operational and corporate. Through this inclusive approach, the programme promotes cross-functional collaboration while empowering employees across the organisation to contribute meaningful ideas toward cost optimisation and operational improvement.

Leveraging Technology to Enhance Waste Management

At Alam Flora, we have been actively leveraging Geographic Information System (GIS) technology to enhance waste management efficiency and sustainability. Through our MFlora Telematics System, we introduced automated monitoring solutions that optimise waste collection routes and schedules, reducing fuel consumption and emissions while improving service delivery.



Global Recognition for Homegrown Innovation

Malakoff's innovation capability earned international recognition when its operations teams clinched top honours at the International Convention on Quality Control Circles (ICQCC) 2025 in Taipei, Taiwan. Teams from TBEPP and TBPP were recognised for practical, engineering-led solutions that addressed real operational challenges, including a forced-air cooling system that significantly reduced turbine downtime and improved plant reliability. The achievement underscores Malakoff's strong culture of continuous improvement, data-driven problem-saolving and employee-led innovation, demonstrating how in-house capabilities translate into tangible operational and efficiency gains on a global stage.

Achievements

ZERO leaks, thefts or losses

ZERO substantiated complaints concerning breaches of customer privacy and losses of customer data

Obtained the
ISO 27001:2022 ISMS
Certification

The four winners of the **Malakoff Innovation Challenge 2024** that demonstrated significant cost optimisation results qualified for the ICQCC 2025 in Taipei, hosted by the Association of Pioneer Quality Control Research. All four teams were awarded **Gold Awards** for their presentations



Leveraging Technology to Enhance Waste Management

Alam Flora was named Company of the Year (Waste Management) at the Sustainability and CSR Malaysia Awards 2025.



Championing ESG Excellence in Energy Generation

Malakoff was named Company of the Year (Energy Generation) under the ESG Champion Award category and the Long-Standing Excellence Award at the Sustainability and CSR Malaysia Awards 2025.

Looking Ahead

The Group will continue to strengthen its technology and innovation efforts as key enablers of operational resilience, efficiency and sustainable value creation. Focus will remain on optimising existing digital capabilities, enhancing protection measures and embedding data driven decision making across operations, while managing risks associated with rapid technological change. Digital initiatives are expected to support improved resource efficiency, reduced reliance on manual processes and more effective monitoring of operational performance.

The Group will maintain a disciplined approach to data protection and cybersecurity, with continued emphasis on monitoring risks and refining systems to ensure compliance with the Personal Data Protection Act and evolving privacy regulations. Regular risk assessments, vulnerability assessments and penetration testing will remain integral to identifying security gaps and strengthening defences. The Group will also continue to enhance its security frameworks, including improvements to its Information Security Management System to align with the latest standards and best practices. Employee awareness initiatives will remain a priority to support secure behaviours and safeguard stakeholder data. Collectively, these efforts support responsible digitalisation and long-term business sustainability in an increasingly digital operating environment.

IMPACT STORY: ENERGY

FROM COAL TO CIRCULAR: THE TANJUNG BIN COMPLEX STORY

Turning Industrial By-products into Circular Value While Powering Malaysia

At one of Malaysia's largest coal-fired power complexes, scale is non-negotiable. With an installed capacity of 3,100 MW, the Tanjung Bin Complex plays a critical baseload role in keeping electricity reliable and affordable for households and businesses across the country. The challenge is not only to generate power at this scale, but to do so responsibly, managing the environmental footprint that comes with it.

Asset & Scale	• Facility: Tanjung Bin Complex • Location: Johor, Malaysia • Total Generating Capacity: 3,100 MW • Generating capacity can potentially supply electricity to approximately 2.2 million households with a monthly average electricity consumption of 1,000 kWh
Circular Economy in Action	• Since 2006 • Material Managed: Coal Ash (SW104) • Pathway: Coal ash to Cement and construction products
Environmental Outcomes	• 579,367 tonnes of coal ash recycled in 2025 • Avoiding approximately 72,420 truck trips to landfill per year, based on the use of Alam Flora's 8-tonne waste compactors • 579,367 tonnes of virgin raw materials substituted
Operational Enablers	• Mature waste management system • DOE-approved ash reused
Strategic Alignment	

Related Material Matter: This impact story relates to Coal Ash Management (M13). Further details on risks, opportunities, management approach and performance are set out on pages 164 to 165.

Impact Statement

At the Tanjung Bin Complex, Malakoff demonstrates how responsible waste management and circular economy practices can be embedded within large-scale power generation. By treating industrial by-products not as disposal liabilities but as managed material flows, the Complex supports infrastructure development, resource efficiency, and national energy security without compromising operational reliability.



Advancing circular economy principles by reusing coal ash as a resource for sustainable construction materials.

Why This Matters

The Tanjung Bin Complex is one of Malaysia's largest power generation facilities, with an installed capacity of 3,100 MW, capable of supplying electricity to approximately 2.2 million households with a monthly average electricity consumption of 1,000 kWh, anchoring system stability as a critical baseload asset. That scale, however, brings parallel responsibilities. Managing environmental impacts, particularly industrial waste streams has become increasingly material to operational resilience, regulatory compliance, and long-term sustainability.

This impact story focuses on how Malakoff applies circular economy principles to manage coal combustion by-products responsibly, reducing reliance on landfill while creating downstream value for the construction sector. The initiative directly supports national priorities under the Circular Economy Blueprint 2025–2035, Dasar Kebersihan Negara (DKN) 2020–2030, and the ambition of zero waste to landfill.

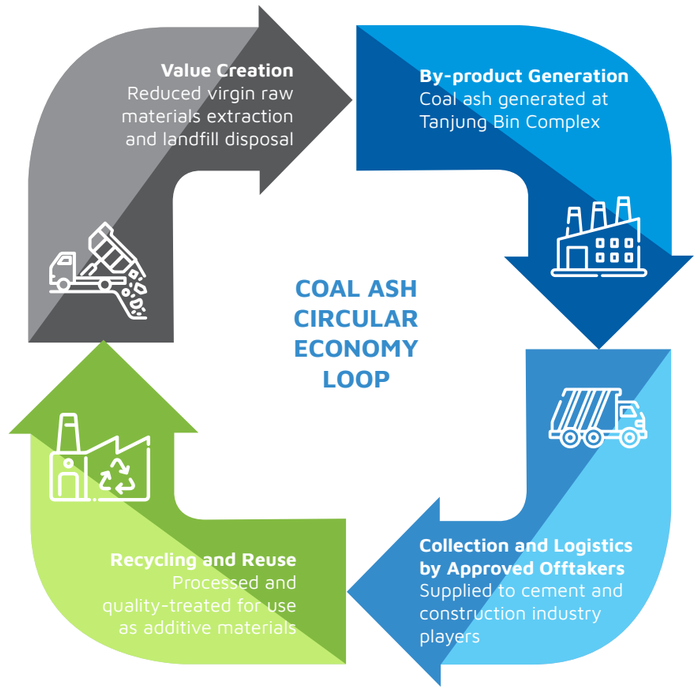
What We Did

Since the commercial operation dates of TBPP (2006) and TBEPP (2016), which together form the Tanjung Bin Complex, Malakoff has maintained a structured and compliant coal ash management system focused on reuse and recycling. Coal ash (SW104) is managed under defined controls from segregation and handling through to engagement with approved off-takers, and is reused, subject to DOE approval, as input material for cement, building materials and concrete products.

What leaves the plant as a combustion by product is channelled back into the construction supply chain. Fly ash generated at the Tanjung Bin Complex is collected by approved offtakers, supplied to cement and construction industry players, and processed for use as additive materials, reducing the need for virgin raw materials. While ash composition typically comprises 85% fly ash and 15% bottom ash, some off takers also utilise bottom ash as an alternative raw material for concrete production.

Beyond coal ash management, the Tanjung Bin Complex has also been a champion site under the NETR for Biomass Co-firing, successfully completing a 2% Biomass Co-firing pilot in 2024. The pilot provided practical insights on fuel diversification and system compatibility, complementing existing resource efficiency initiatives at the Complex. Together, these efforts reflect Tanjung Bin Complex's role in supporting Malaysia's energy transition by optimising by-product utilisation while progressively introducing lower-carbon fuel alternatives in a controlled and systematically managed manner.

The circular process is well-established:



Impact & Outcomes

From 2016 onwards, the Tanjung Bin Complex has managed coal ash through structured reuse and recycling arrangements, achieving a cumulative diversion of **4,330,684** tonnes from landfill via approved offtakers. Annual recycling volumes have increased progressively, surpassing 500,000 tonnes per annum from 2023 onwards, with 2025 performance highlighted separately.

IMPACT STORY: ENERGY

Key outcomes include:



Reduced reliance on landfill disposal

Substitution of virgin construction raw materials

Reduced embodied carbon in downstream construction products

In 2025, the Tanjung Bin Complex recycled and reused **579,367 tonnes** of coal ash, equivalent to:



Avoiding approximately **72,420 truck trips to landfill per year**, based on the use of Alam Flora's 8-tonne waste compactors



579,367 tonnes of virgin raw materials substituted annually

These outcomes reflect a mature waste management system and well-embedded circular economy practices within day-to-day operations.

Just Energy Transition & SDG Alignment

This initiative reflects Malakoff's approach to a Just Energy Transition, delivering improvements within existing assets while safeguarding national energy security. By improving resource efficiency, bridging thermal generation with circular practices, and testing lower carbon solutions at pilot scale, Tanjung Bin contributes to:

SDG 9: Industry, Innovation and Infrastructure

- **9.4** Upgrading industries to be more resource-efficient
- **9.5** Encouraging research & innovation in alternative materials

SDG 12: Responsible Consumption and Production

- **12.2** Sustainable management and efficient use of natural resources
- **12.4** Environmentally sound waste management
- **12.5** Reduce waste generation through prevention, reduction, recycling and reuse

Moving Forward

Coal-fired power plants are not inherently liabilities. When managed responsibly, they continue to play a critical role in ensuring energy security, affordability and system stability. At the Tanjung Bin Complex, Malakoff is building on this responsibility by advancing circular economy practices within existing operations.

Moving forward, the Group will continue to strengthen coal ash management by exploring opportunities to increase recyclable ash volumes and to develop initiatives that convert bottom ash into higher-value materials. These focus areas reflect a practical approach to maximising resource efficiency while supporting the ongoing transition of thermal assets.

Collectively, these efforts reinforce Malakoff's commitment to continuous improvement, demonstrating that meaningful sustainability outcomes can be delivered through disciplined, evidence-based action within existing infrastructure.

IMPACT STORY: ENVIRONMENTAL SOLUTIONS

FRONTLINE EXCELLENCE: SAFEGUARDING SERVICE QUALITY, COMPLIANCE AND TRUST

Building Performance Through People

At the heart of Malakoff's Environmental Solutions operations are its frontline teams; drivers, collectors and sweepers, whose daily dedication shapes service quality, regulatory outcomes and public confidence. Through every collection route, inspection and customer interaction, their discipline and professionalism translate directly into cleaner cities and reliable urban services.

Rather than being viewed solely through the lens of compliance, frontline performance is recognised as a critical enabler of operational excellence. This makes our frontline workers the guardians of our performance, ensuring services are delivered consistently and reliably. Strong adherence to standard operating procedures, proper vehicle care and professional conduct help minimise service disruptions, reduce operational risks and maintain the resources needed to serve communities effectively.

To nurture this mindset, Alam Flora introduced targeted programmes designed to foster a high-performance culture across Environmental Solutions operations. These programmes encourage personal ownership, pride in workmanship and shared responsibility for service outcomes, strengthening day-to-day discipline while reinforcing trust with regulators, local authorities and the public.

Impact statement

Through two targeted programmes, namely Compactor Rewards for Effort and Work Excellence (Incentive C.R.E.W.) and *Hero Gaya Kerja (#heroBergaya)*, Alam Flora reinforced positive behaviour on the ground, improved fleet care and elevated frontline professionalism. These initiatives strengthen compliance performance, reduce service disruptions and embed a culture where frontline excellence supports cleaner cities, stronger operational outcomes and long-term sustainability.

Why This Matters

Service quality at Alam Flora is shaped every day by the people on the ground. From timely collections to cleanliness standards and adherence to standard operating procedures, frontline teams play a direct role in meeting the expectations of regulators and communities that rely on consistent municipal waste services. This environment calls for strong discipline, attention to detail and a shared commitment to doing the job well.

Frontline performance is more than an operational requirement; it is central to safeguarding service continuity and sustaining the resources needed to operate effectively. The way vehicles are maintained, routes are executed and interactions are managed influences operational efficiency, cost control and long-term service viability. In this context, frontline workers become key contributors to operational performance and service sustainability.

Strong practices on the ground also deliver tangible benefits for communities. Well-maintained fleets and disciplined, safety-focused crews help reduce service disruptions, minimise hygiene risks and ensure dependable waste collection. Over time, these everyday actions build cleaner urban environments and reinforce public confidence in essential services, underscoring the importance of investing in people as the foundation of high-quality Environmental Solutions operations.



Alam Flora enhances service quality through continuous operational improvement.

What We Did

Incentive C.R.E.W. Programme

Programme Overview	A targeted recognition programme designed to reward compactor drivers and crews who consistently maintain their vehicles in **low-maintenance condition**, supporting reliable and efficient service delivery.
Key Behaviours Encouraged	The programme promotes: • Proactive daily vehicle inspections • Careful and responsible vehicle handling • Early identification and reporting of potential mechanical issues These practices reinforce a preventive maintenance mindset across frontline operations.
Operational Impact	By encouraging preventive behaviours, Incentive C.R.E.W. helps to reduce unplanned downtime and repair costs, improve fleet availability, and ensure consistent waste collection services. A well maintained fleet also strengthens the company's professional image and public confidence in service quality.
Impact and Outcomes	**36%** ▼ Maintenance cost reduction **45x** Return on incentives Before ▶▶▶▶ After Frequent Breakdowns → Fewer Breakdowns Missed collections → On-time collections

Incentive C.R.E.W. delivered measurable improvements in fleet performance, achieving a 36% reduction in maintenance costs and a 45-times return on incentives. The programme also resulted in fewer vehicle breakdowns, improved fleet availability and more on-time waste collections, directly enhancing service quality and strengthening public confidence in waste collection services.



Through structured programmes, Alam Flora service staff are equipped and motivated to uphold positive work practices, improve fleet care, and demonstrate higher standards of frontline professionalism.

Hero Gaya Kerja

Programme Overview	*Hero Gaya Kerja* is a frontline culture initiative introduced to strengthen **morale**, **discipline**, **and professionalism** among operational teams.
Key Behaviours Encouraged	The programme applies clear and transparent evaluation criteria, including: • Complete and neat uniforms • Proper use of PPE • Attendance and punctuality • Positive work attitude • Zero penalty findings These standards reinforce consistent and professional conduct across daily operations.
Operational Impact	By promoting high standards of appearance, hygiene, and safe work practices, the programme fosters pride, unity, and accountability among frontline workers. These behaviours contribute to safer operations, improved public hygiene outcomes, and enhanced trust in the essential services delivered by Alam Flora.
Impact and Outcomes	**>89%** Highly satisfied public **30%** of total internal workforce recognised as *#heroBergaya*

Hero Gaya Kerja reinforced consistent professionalism across frontline operations, with 89% public satisfaction achieved and 393 employees, representing 30% of the workforce, recognised for exemplary conduct. This translated into stronger service quality and enhanced public confidence in waste collection services.

SDG Alignment

SDG 8: Decent Work and Economic Growth

- **8.5:** Achieve full and productive employment and decent work
- **8.8:** Protect labour rights and promote safe and secure working environments

SDG 11: Sustainable Cities and Communities

- **11.6:** Reduce the environmental impact of cities, including municipal waste management

SDG 12: Responsible Consumption and Production

- **12.2:** Achieve sustainable management and efficient use of natural resources
- **12.5**: Substantially reduce waste generation through prevention and efficiency

Moving Forward

Empowering our people remains the most critical driver of our operational performance. As the frontline custodians of service quality, their skills, discipline, and pride in their work directly determine our ability to meet compliance standards. By equipping them with the right training, clear SOPs, real-time support, and by recognising and incentivising excellence, we create a motivated workforce that delivers cleaner, safer and more consistent services. This people-first approach ensures that performance is protected, non-compliance risks are reduced, and concession value is sustained.

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
Environmental				
Renewable Energy Transition				
Total RE Generation	MWh	67,561	67,027	**63,767**
Carbon Avoidance from RE Generation	tCO_2e	51,211	51,879	**47,188**
Energy Mix & Efficiency				
Total Energy Consumption[1]	MWh	54,976,619	65,147,523	**55,172,835**
GHG Emissions[1]				
Scope 1: Direct Emissions	tCO_2e	17,678,793*	20,408,934*	**18,098,442**
Scope 2: Indirect Emissions	tCO_2e	82,733*	68,391*	**69,450**
Scope 3: Indirect Emissions[2]	tCO_2e	-	1,121	**173,414**
Total Scope 1, 2 and 3	tCO_2e	17,761,527*	20,478,446*	**18,341,306**
Waste Management and Effluents				
Total Waste Generated	Tonnes	-	285.60	**274.39**
Total Waste Diverted from Disposal	Tonnes	-	54.40	**82.54**
Total Waste Directed to Disposal	Tonnes	-	231.20	**190.51**
Coal Ash Management				
Bottom Ash and Fly Ash Recycled	Tonnes	*506,501	581,307	**579,367**
Water Management				
Raw Water Consumption[1]	Megalitres	2,532*	2,787*	**2,749**
Seawater Withdrawal	Megalitres	2,099,650	2,267,209	**2,120,587**

Notes:
[1] The figures marked with asterisks (*) have been restated to reflect financial control approach.
[2] Tracking of Scope 3 Category 6 (Business Travel) and Category 7 (Employee Commuting) commenced in FY2024. From FY2025, the scope was expanded to include Scope 3 Category 4 (Upstream Transportation and Distribution - Coal Transportation).

Indicator	Measurement Unit	2023	2024	2025
Social				
Occupational Safety & Health				
Total Man-hours Worked	Hour	6,983,212 46,466,129 12,048,476	7,288,759 37,882,129 15,580,414	**6,863,688** **35,546,959** **14,242,719**
Number of Work-Related Fatalities	Number	1	2	**3**
Lost-Time Incident Rate (LTIR)	Rate	0.73 0.86 0.50	0.42 1.16 0.26	**1.02** **1.04** **0.28**
Number of Employees Trained on Health and Safety Standards	Number	1,626	1,809	**5,308**
Talent Management and Development				
Total Number of Employees by Gender				
Total Number of Employees	Number	4,319	4,304	**4,299**
Total Number of Employees (Malaysia)	Number	4,317	4,302	**4,297**
Total Number of Employees (Overseas)	Number	2	2	**2**
Employee - Male	Number	3,611	3,629	**3,613**
Employee - Female	Number	708	675	**686**
Permanent Employee – Male	Number	2,715	2,848	**2,772**
Permanent Employee- Female	Number	579	595	**603**
Temporary Employee – Male	Number	896	781	**841**
Temporary Employee - Female	Number	129	80	**83**
Non-guaranteed Hours Employee - Male	Number	0	0	**0**
Non-guaranteed Hours Employee - Female	Number	0	0	**0**
Full-time Employee - Male	Number	3,611	3,629	**3,613**
Full-time Employee – Female	Number	708	675	**686**
Part-time Employee - Male	Number	0	0	**0**
Part-time Employee – Female	Number	0	0	**0**
Percentage of Employees that are Contractors or Temporary Staff	Percentage	24	20	**21**
Total Number of New Employee Hires by Gender, Age Group and Region				
Male	Number	811	443	**347**
Female	Number	92	86	**72**
Below 30	Number	334	303	**207**
Between 30-50	Number	505	210	**191**
Above 50	Number	64	16	**21**
Malaysia	Percentage	100	100	**100**
Total Number of Employee Turnover by Gender, Age Group and Employee Category				
Male	Number	182	401	**188**
Female	Number	54	115	**45**
Below 30	Number	83	142	**66**
Between 30-50	Number	127	248	**132**

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
Social				
Above 50	Number	26	126	**35**
Top Management	Number	0	7	**3**
Senior Management	Number	3	16	**5**
Middle Management	Number	36	31	**23**
Executive	Number	51	66	**53**
Non-Executive	Number	146	396	**149**
Total Training Hours by Gender and Employee Category				
Male	Hours	28,774	23,628	**25,509**
		29,048	32,826	**7,170**
Female	Hours	3,844	3,186	**3,995**
		11,475	9,046	**4,250**
Top Management	Hours	64	48	**4**
		221	162	**96**
Senior Management	Hours	477	415	**443**
		278	2,074	**240**
Middle Management	Hours	8,437	5,885	**6,559**
		3,663	1,180	**2,988**
Executive	Hours	13,815	10,551	**10,470**
		10,826	7,404	**3,862**
Non-Executive	Hours	9,825	9,915	**12,028**
		13,257	18,127	**3,649**
General Workers	Hours	6,955	12,926	**586**
Average Training Hours per Employee by Gender and Employee Category				
Overall Average Training Hours	Hours	14.75	14.98	**13.85**
		11.87	12.25	**19.72**
Male	Hours	14.77	15.20	**13.90**
		10.17	11.33	**18.62**
Female	Hours	14.56	13.50	**13.50**
		20.56	17.36	**21.91**
Top Management	Hours	0.07	16.00	**4.00**
		6.90	32.30	**48.00**
Senior Management	Hours	0.53	13.83	**18.00**
		9.50	41.48	**34.29**
Middle Management	Hours	9.32	14.68	**13.00**
		10.10	32.76	**37.82**
Executive	Hours	15.27	14.26	**15.00**
		11.80	31.24	**24.13**
Non-Executive	Hours	10.86	16.10	**13.00**
		9.40	29.57	**15.87**
General Workers	Hours	3.83	5.22	**5.80**

* Restated

Malakoff | Alam Flora | AFES | Internal assurance | External assurance | No assurance

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
Social				
Percentage of Employee who Received Career Development Review by Gender[1]				
Male	Percentage	9	10	**11**
Female	Percentage	20	9	**8**
Human and Labour Rights				
Gender Representation across Employee Categories				
Top Management – Male	Percentage	92	100	**100**
Top Management – Female	Percentage	8	0	**0**
Senior Management – Male	Percentage	80	72	**78**
Senior Management – Female	Percentage	20	28	**22**
Middle Management – Male	Percentage	79	78	**78**
Middle Management – Female	Percentage	21	22	**22**
Executive – Male	Percentage	71	71	**69**
Executive – Female	Percentage	29	29	**31**
Non-Executive – Male	Percentage	86	87	**87**
Non-Executive – Female	Percentage	14	13	**13**
Age Group Representation across Employee Categories				
Top Management – Below 30	Percentage	0	0	**0**
Top Management – Between 30 – 50	Percentage	58	17	**14**
Top Management – Above 50	Percentage	42	83	**86**
Senior Management – Below 30	Percentage	0	0	**0**
Senior Management – Between 30 – 50	Percentage	63	62	**56**
Senior Management – Above 50	Percentage	37	38	**44**
Middle Management – Below 30	Percentage	0	0	**0**
Middle Management – Between 30 – 50	Percentage	80	77	**79**
Middle Management – Above 50	Percentage	20	23	**21**
Executive – Below 30	Percentage	15	16	**15**
Executive – Between 30 – 50	Percentage	79	77	**77**
Executive – Above 50	Percentage	6	7	**8**
Non-Executive – Below 30	Percentage	26	26	**24**
Non-Executive – Between 30 – 50	Percentage	59	59	**60**
Non-Executive – Above 50	Percentage	15	15	**16**
Ethnicities Representation across Employee Categories				
Top Management - Malay	Percentage	84	83	**86**
Top Management - Chinese	Percentage	8	17	**14**
Top Management - Indian	Percentage	0	0	**0**
Top Management - Others	Percentage	8	0	**0**
Senior Management - Malay	Percentage	76	83	**88**
Senior Management - Chinese	Percentage	13	10	**6**
Senior Management - Indian	Percentage	7	7	**6**
Senior Management - Others	Percentage	4	0	**0**
Middle Management - Malay	Percentage	89	92	**92**
Middle Management - Chinese	Percentage	8	6	**6**
Middle Management - Indian	Percentage	3	2	**2**
Middle Management - Others	Percentage	0	0	**0**

* Restated

Malakoff | Alam Flora | AFES | Internal assurance | External assurance | No assurance

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
Social				
Executive - Malay	Percentage	98	98	**98**
Executive - Chinese	Percentage	1	1	**1.1**
Executive - Indian	Percentage	1	1	**0.7**
Executive - Others	Percentage	0	0	**0.2**
Non-Executive - Malay	Percentage	82	80	**81**
Non-Executive - Chinese	Percentage	0	0	**0**
Non-Executive - Indian	Percentage	10	11	**10**
Non-Executive - Others	Percentage	8	9	**9**
Board Members Diversity by Gender, Age Group and Ethnicity				
Male	Percentage	90	78	**78**
Female	Percentage	10	22	**22**
Below 30	Percentage	0	0	**0**
Between 30 – 50	Percentage	10	0	**0**
Above 50	Percentage	90	100	**100**
Malay	Percentage	78	78	**78**
Chinese	Percentage	11	11	**11**
Indian	Percentage	11	11	**11**
Ratio of Basic Salary of Women to Men				
Top Management	Ratio	0.00	0.00 0.67	**0.00** **0.00**
Senior Management	Ratio	0.15	0.71 1.09	**0.81** **0.99**
Middle Management	Ratio	0.20	0.86 0.94	**0.84** **0.92**
Executive	Ratio	0.23	0.83 0.99	**0.77** **0.97**
Non-Executive	Ratio	0.12	0.97 1.11	**0.93** **1.12**
Ratio of Remuneration of Women to Men				
Top Management	Ratio	0.00	0.00 0.75	**0.00** **0.00**
Senior Management	Ratio	0.19	0.69 1.36	**0.91** **0.04**
Middle Management	Ratio	0.14	0.72 0.90	**0.38** **0.72**
Executive	Ratio	0.09	0.42 0.97	**0.04** **0.52**

Note:
[1] Data only consists of Malakoff, not including Alam Flora Group.

* Restated

Malakoff | Alam Flora | AFES | Internal assurance | External assurance | No assurance

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
Social				
Non-Executive	Ratio	0.04	0.23 0.57	**0.10** **0.48**
Number of Discrimination Cases Reported	Number	0	0	**0**
Number of Substantiated Complaints Concerning Human Rights Violations	Number	0	0	**0**
Community Impact				
Total Amount Invested in the Community where the Target Beneficiaries are External to the Listed Issuer	MYR	240,500	407,413	**369,290**
Total Number of Beneficiaries of the Investment in Communities	Number	4,000	6,740	**5,000**
Governance				
Good Governance and Corporate Integrity				
Percentage of Board of Directors, Employees and Business Partners who have Received Training on Anti-Corruption				
Board of Directors	Percentage	11	90	**75** **89**
Total Employees	Percentage	85	79	**77** **39**
Top Management	Percentage	1	1	**1** **0.12**
Senior Management	Percentage	3	2	**3** **0.09**
Secondment Officers	Percentage	-	-	**0.03**
Middle Management	Percentage	22	20	**22** **5**
Executive	Percentage	33	29	**28** **4**
Non-Executive	Percentage	26	27	**23** **30**
Business Partners	Percentage	49	31	**40** **100**
Percentage of Operations Assessed for Corruption-Related Risks[1]	Percentage	100	100	**100**
Confirmed Incidents of Corruption and Action Taken	Number	0	0	**0**
Supply Chain Management				
Proportion of Spending on Local Vendors	Percentage	93 100	97 100	**98.9** **99.9**
Technology and Innovation				
Number of Substantiated Complaints Concerning Breaches of Customer Privacy or Losses of Customer Data	Number	0	0	**0**

Note:
[1] The data covers only Malakoff's Energy operations and the corporate headquarters (KLHQ).

* Restated

Malakoff | Alam Flora | AFES | Internal assurance | External assurance | No assurance

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BASIS OF PREPARATION

This Sustainability Statement (Statement) constitutes climate-related financial disclosures of Malakoff for the financial year 1 January to 31 December 2025 that has been prepared in accordance with IFRS Sustainability Disclosure Standards as adopted by the Bursa Malaysia MMLR.

This Statement is intended to be read in conjunction with the Group's Audited Financial Statements which has been prepared in accordance with the MFRS, IFRS Accounting Standards, Bursa Malaysia MMLR and the requirements of the Companies Act 2016 in Malaysia.

As of 31 December 2025, there are no other IFRS Sustainability Disclosure Standards issued by the ISSB. In preparing these climate-related disclosures, Malakoff has considered the applicability of relevant disclosure topics and metrics set out in the Sustainability Accounting Standards Board (SASB) Standards for the Electric Utilities and Power Generator and the Waste Management sectors.

The Group anticipates expanding the scope and depth of quantitative disclosures in subsequent reporting cycles as data availability, methodological frameworks and internal capabilities continue to develop.

FIRST TIME ADOPTION OF IFRS SUSTAINABILITY DISCLOSURE STANDARDS AND ADDITIONAL TRANSITION RELIEFS APPLICATION

As this is the first year in which the Group has applied the IFRS Sustainability Standards; S1 'General Requirements for Disclosure of Sustainability-related Financial Information' and IFRS S2 'Climate-related Disclosures' issued by the ISSB, the Group has applied the additional transitional reliefs (ATRs) as provided by the MMLR for issuers listed on the Main Market of Bursa Malaysia as follows:

- Where it is not required to disclose comparative information in the first annual reporting period;
- Permitted to disclose information only on climate-related risks and opportunities (in accordance with IFRS S2 Climate-related Disclosures) and consequently apply the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information only insofar as they relate to the disclosure of information on climate-related risks and opportunities for two years;
- Permitted to focus on climate-related disclosures specifically on principal business segments for two years; and
- Permitted to not disclose Scope 3 GHG emissions for two years.

REPORTING BOUNDARY

The organisational boundary for Malakoff's climate-related financial disclosures is defined in accordance with the Group's financial reporting perimeter and covers all entities consolidated within the Group's financial statements. This boundary reflects Malakoff's structure as an investment holding company with subsidiaries operating across the Power Generation, RE and Environmental Solutions segments.

Within this consolidated perimeter, the extent of climate-related information presented is determined by management's assessment of where climate-related risks and potential opportunities are expected to arise and where such matters may reasonably influence the Group's financial performance, financial position or cash flow.

GHG EMISSIONS REPORTING BOUNDARY

The Group's approach to measuring and managing GHG emissions is guided by the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol), and the Group's internal framework.

Organisational Boundary
GHG emissions disclosed in this report cover the Group's operations in Malaysia and are presented in line with the Group's financial control approach.

Operational Boundary
The Groups's GHG emissions disclosures include:

- Scope 1 emissions: Direct emissions of fuel combustion from sources owned or controlled by Malakoff.
- Scope 2 emissions: Indirect emissions associated with the consumption of purchased electricity reported using location-based methodologies.

SIGNIFICANT JUDGEMENTS, ASSUMPTIONS AND PROPORTIONALITY

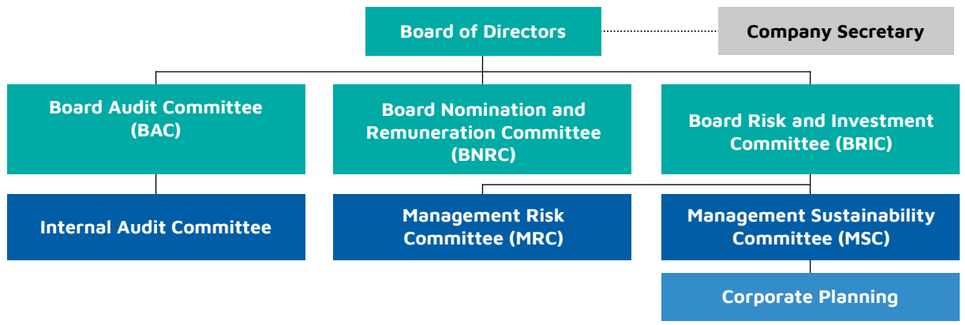
In preparing this Statement, Malakoff exercises judgements and assumptions in determining suitable methodologies and presenting climate-related financial information. Such judgements are applied in line with the IFRS Sustainability Disclosure Standards and rely on reasonable and supportable information available at the reporting date.

Management exercised significant judgements and assumptions in determining:

- The climate-related risks and opportunities could reasonably be expected to affect the Group's financial position, financial performance, cash flows, strategy and resilience;
- The scenarios for climate-related analysis, applying judgement to reflect transition pathway that could reasonably be expected to affect the Group's strategy, business model, financial position and performance;
- The suitable GHG accounting methodologies, emission factors and data sources, including the application of estimates where direct measurement is unavailable, in a manner consistent with GHG Protocol; and
- The measurement of anticipated financial effects for identified climate-related risks (CRRs) over the short-, medium- and long-term. This includes assumptions on the timing and occurence or non-occurence of specific regulations and incidence.

Where applicable, the proportionality mechanisms of the standards were also adopted, allowing companies to use reasonably available information without incurring undue cost or effort, and to apply an approach compatible with their skills, capabilities, and resources.

SUSTAINABILITY GOVERNANCE



Malakoff is in the process of embedding climate-related oversight within its existing governance framework to support a more coordinated and consistent approach across the Group. As this integration progresses, climate-related responsibilities are being introduced across Board, management and operational structures in line with the Group's evolving risk management practices.

Board Oversight

Climate considerations are being systematically integrated across governance, strategy, risk management and performance measurement, with strengthened connections to financial implications and evolving regulatory expectations under the NSRF. Oversight of climate-related matters will reside with the Board.

Board Committee Oversight

The BRIC will assume oversight of climate-related risks and opportunities as part of its broader responsibility for the Group's risk and investment management activities.

The BNRC will be responsible for overseeing climate-related performance measurement. The BNRC leads the Board in its annual Board performance evaluation and identifies areas requiring capability enhancement. Recognising that climate-related risks and opportunities are evolving, the Board is encouraged to attend training sessions covering emerging climate trends, regulatory developments, industry transition pathways and sustainability and climate reporting expectations. The Group's remuneration process for Management is guided by a structured review mechanism under the oversight of the BNRC. As the Group progresses in integrating climate-related considerations into performance management, the remuneration framework is being aligned to incorporate relevant KPIs and targets.

Management Responsibilities

At the management level, the MSC, chaired by the GCEO, will serve as the central platform for coordinating climate-related matters across business units. MSC's remit will also include the management of climate-related opportunities. MSC continues to explore opportunities through ongoing market analysis, including those related to climate aligned growth areas.

As climate-related risks and opportunities are being progressively incorporated into the existing Enterprise Risk Management Policy and Framework (ERMPF), risks that are assessed as potentially significant are intended to be consolidated and escalated to the MRC.

The MSC and MRC are responsible for overseeing emerging risks and opportunities, evaluating the adequacy of mitigation approaches, and determining when specific matters require escalation for further deliberation by the BRIC.

Supporting Function

Day-to-day coordination of climate-related activities will continue to be supported by the Corporate Planning department (previously known as Sustainability, Research and Investor Relations), which is progressively strengthening its role as the central point for cross-functional engagement to support the gradual alignment of internal processes. Corporate Planning is actively working to embed climate-related considerations into the Group's planning, data governance and internal reporting processes, with a focus on building the structures and competencies under the evolving regulatory landscape.

CLIMATE-RELATED RISKS AND OPPORTUNITIES MANAGEMENT

Identification and management of all risks is performed in accordance with Malakoff's ERMPF assessment, which is detailed out in the Statement of Risk Management and Internal Control section of this IAR 2025 on pages 280 to 286. Climate-related risks are in the early phases of being incorporated into the ERMPF, aligning with other principal risks to enable for a holistic approach in identifying, assessing and managing risks.

The climate-related risks and opportunities identified will encompass operational sites across Malaysia, including all thermal power generation, RE and environmental solutions operations.

As the Group continues strengthening its climate-related capabilities, climate-related risks and opportunities will be reviewed periodically to identify those that may have the potential to disrupt core operations, affect cost structures or influence the Group's earnings, liquidity, capital position or operating model.

For the climate-related risks disclosed in FY2025, the following steps were performed:

Steps	Physical Risk	Transition Risk
Risks Identification	The Group's physical impact of climate change is assessed using Intergovernmental Panel on Climate Change (IPCC) climate scenarios to evaluate exposure to acute and chronic climate hazards and their potential operational implications. Consistent with IFRS S2 paragraph 25(a)(ii), the Group also considers physical climate scenario analysis during risk identification process. As part of the Group's physical risk identification process, the IPCC Shared Socioeconomic Pathway (SSP) 2–4.5 was selected as the base-case scenario while SSP 5-8.5 was scenario selected as the high physical risks scenario. These scenarios provide plausible future occurrences and are used to identify assets and geographies that may be exposed to elevated chronic and acute physical risks over time. These scenario-informed insights enable early visibility of potential climate-driven impacts on infrastructure and operations. Physical risks identified include: • Flood (pluvial, fluvial, tidal, sea-level rise). • Fire. • Extreme weather (wind). • Geotechnical (subsidence and landslide).	Transition risk identification is guided by ongoing Malaysian climate policy developments, particularly the government's planned introduction of a national carbon tax beginning in 2026. Current policy signals indicate that carbon pricing will initially target carbon-intensive sectors such as energy, iron and steel, and will be underpinned by the forthcoming National Climate Change Bill *(RUUPIN)*, which will provide the legislative and regulatory foundation for the mechanism. To enhance the robustness of the identification process, transition risk insights were further informed by industry peer disclosures, along with guidance from the ISSB and sector specific standards issued by the SASB. Transition risks identified include: • Carbon tax. • Stranded assets.
Risks Assessment and Prioritisation	Physical risks are assessed under selected IPCC scenarios to determine hazard severity and asset exposure using a Climate Modelling Tool. The assessment considered key factors such as hazard ratings, asset-value thresholds and vulnerability threshold. The Group applies defined internal likelihood and impact criteria to assess climate-related physical risks, using a standardised five-by-five risk matrix consistent with the ERMPF to enable comparability of prioritisation across enterprise risks.	Identified transition risks are evaluated across short-, medium- and long-term horizons, considering likelihood, potential impact and compliance obligations arising from the national carbon tax and *RUUPIN*. Likelihood and impact are assessed using a combination of qualitative and quantitative factors, with financial impacts measured against internal percentage-based sensitivities to revenue and profit. The assessments follow the Group's standardised five-by-five risk matrix under the ERMPF to ensure consistency and comparability. Prioritisation is based on the combined likelihood-impact rating, guided by the level of business significance and complexity.

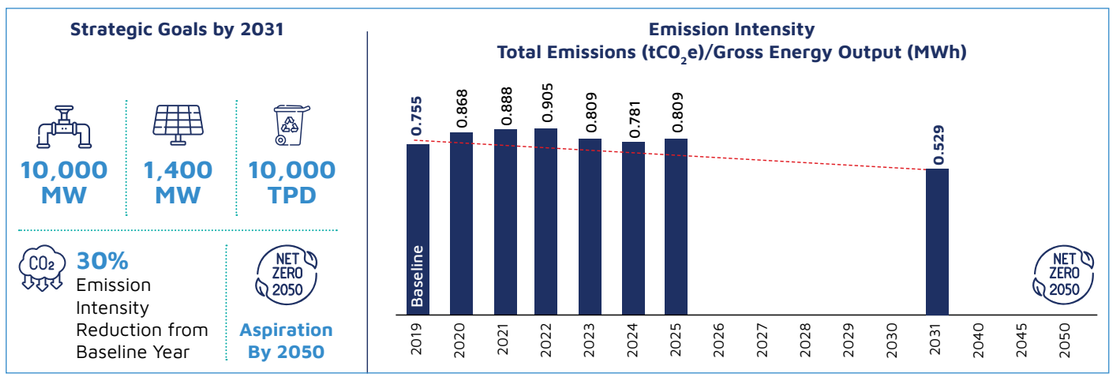
Steps	Physical Risk	Transition Risk
Risk Treatment and Integration into Strategy	Scenario-informed insights guide mitigation and adaptation recommendations to safeguard critical assets, with actions integrated into business planning to enhance resilience against identified climate hazards.	Prioritised transition risks inform mitigation and adaptation actions, including alignment of plans with the emerging carbon pricing framework and readiness for regulatory requirements under the *RUUPIN*. Measures are integrated into CAPEX and OPEX planning to support resilience.

Assessment of Climate-related Opportunity

Steps	Climate-related Opportunity
Opportunity Identification	Climate-related opportunity was identified across Malakoff's operations through strategic scanning, business planning processes and project assessments, reflecting relevant regulatory trends, market movements, technological developments and stakeholder interests.
Opportunity Assessment and Prioritisation	Opportunities assessed as financially and strategically material will be incorporated into investment planning to ensure alignment with corporate priorities and effective resource allocation. The Group will continue to monitor developments in both the power generation and waste management sectors and will periodically reassess potential climate-related opportunities as part of its broader climate-related risk and strategy framework. The Group has identified low-carbon solution expansion as a material climate-related opportunity, offering value-creation potential through lower-carbon generation, renewable energy, new investment pipelines and enhanced resilience under future transition scenarios.

Climate Transition Plan

Malakoff's Climate Transition Plan sets out a decarbonisation pathway that supports the Group's long-term ambition of achieving net-zero emissions by 2050. The plan outlines targeted actions across short-, medium- and long-term horizons, focusing on emissions intensity reduction, RE growth, operational optimisation and the adoption of low-carbon solutions.



Malakoff aims to progressively lower the emissions intensity of its generation portfolio through sustained operational improvements, strategic capital planning and increased adoption of RE. The Group has articulated an emissions intensity reduction target of 30% for Scope 1 and Scope 2 GHG emissions by 2031 from a 2019 baseline of 0.755 tCO_2e/MWh for the Energy business segment. Malakoff continues to expand its RE portfolio as a key lever to deliver structural intensity reductions across the generation mix, in support of the NETR.

The Group's decarbonisation pathway is structured into three phases:

Malakoff Decarbonisation Plan

Short- to Medium-Term

- Optimise Plant Efficiency
- Digitalisation and Preventative Maintenance
- Accelerate RE Growth
- Biomass Co-Firing and Tech-based Solutions
- Fuel Switching to Natural Gas

Target

- Reach biomass co-firing capacity to at least 15% by 2027

Medium- to Long-Term

- Accelerate RE Projects and Hybrid RE Systems
- Carbon Capture, Utilisation & Storage
- Nature-based Solutions
- Clean Fuel Switching

Target

- Achieve thermal capacity of 10,000 MW by 2031
- Achieve RE capacity of 1,400 MW by 2031
- 30% GHG emissions intensity reduction by 2031 from 2019 baseline (Scope 1 and 2)
- Net Zero 2050

The Group is advancing its clean energy transition through recent project wins and strategic collaborations that strengthen its position for future large scale RE deployment across solar and hydro initiatives. Recently awarded projects includes the development of a major solar facility in Perak through a consortium structure, reinforcing the Group's commitment to increasing RE penetration and supporting Malaysia's energy transition agenda. In parallel, the Group is advancing renewable opportunities in Sarawak through collaborations on solar and other green energy ventures, supported by feasibility studies and technical assessments. Malakoff will continue to pursue additional renewable opportunities and operational efficiency measures to stay on track toward achieving a 30% emissions intensity reduction by 2031.

STRATEGY IN MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

The Group's strategy is developed within an operating environment increasingly shaped by climate-related physical and transition risks, which have direct implications for asset performance, operating costs and regulatory compliance.

Strategic Planning Time Horizons

Malakoff assesses climate-related risks and opportunities across three time horizons aligned to its existing budgeting, business planning and strategic cycles and are defined as follows:

Short-term: Up to 2026

Medium-term: 2027–2030

Long-term: 2031–2050

Risks and Opportunities Shaping Malakoff's Strategy

Malakoff's physical risk assessment was conducted using an asset-level exposure screening methodology, evaluating hazard exposure across the portfolio. Flood was confirmed as the primary physical hazard warranting further financial impact assessment.

The carbon pricing transition risk was assessed under an estimated carbon pricing scenario as a base case, aligning to Malaysia's announced national low-carbon transition policy direction.



The table below presents a consolidated summary of all climate-related risks prioritised.

Climate-related Risks Exposure

Climate-related Risks | **Time Horizon** Medium/Long | **Average Exposure Rating**[1] High

Physical Risk (Acute)

Flood: Risk of asset inundation from tidal flooding, high precipitation intensity, river discharge and backflow during extreme rainfall events.

Impact on Business Model and Value Chain

- Flood events may impair operational continuity, damage plant and underground infrastructure, restrict site access and increase unplanned maintenance, emergency response, and repair costs.
- Disruption to generation output may affect power supply reliability and contracted obligation.

Financial Effects

Current: Flood event occurred near the entrance of one of the power plant sites restricting access to employees. However, no additional financial cost was incurred as none of the assets were impacted and no operational impact occurred. This identified climate-related physical risks is not expected to result in a material adjustment to the carrying amount of assets or liabilities within the next annual reporting period.

Anticipated | Medium- to Long-term: Three out of seven assets were identified to be susceptible to flooding. Future investments in adaptation and resilience enhancing measures will be required to mitigate physical climate risks and safeguard operational continuity.

Effects on Strategy and Decision Making

Existing Assets: Management intends to enhance monitoring of flood related impacts and, where necessary, prioritise preventive maintenance and timely rectification to manage cost exposure and maintain generation reliability.

Future Assets: Management intends to factor physical climate risk considerations into future asset siting, design standards and project planning to support long-term resilience.

Resource Allocation: Management expects capital allocation and resource planning to increasingly reflect assessed physical climate risk exposures as adaptation needs are identified.

Climate-related Risks | **Time Horizon** Medium/Long | **Average Exposure Rating**[1] High

Transition Risk

Carbon Pricing: Policy exposures as adaptation needs are identified. Detailed financial quantification is not disclosed due to commercial sensitivity.

Impact on Business Model and Value Chain

- Increased operating and compliance costs for coal and gas-fired generation assets as carbon pricing is introduced and potentially expands in coverage and price level.
- Reduced ability to pass through carbon cost increases may compress operating margins for thermal assets.

Financial Effects

Current: No impact as Malaysia did not introduce a carbon pricing mechanism in FY2025.

Anticipated | Medium- to Long-term: Six out of seven assets are likely to be affected by the implementation of carbon tax. Preliminary assessment indicates potential financial impact affecting profitability in the short- and medium-term horizons, subject to final government announcement on carbon pricing mechanism. The Group will continue to assess the financial impact of transition risks, following the finalised carbon pricing mechanism.

Effects on Strategy and Decision Making

Existing and Future Assets: Management applies scenario analysis to assess potential carbon cost sensitivities across existing operations and planned projects and will continue to monitor policy developments through ongoing stakeholder engagement.

Resource Allocation: Management expects capital allocation and resource planning to increasingly consider emissions reduction initiatives, efficiency improvements and preparedness for potential future carbon cost exposures.

[1] Portfolio exposure rating represents a directional characterisation of the Group's overall exposure to each hazard, based on the distribution of individual asset ratings provided. It is not a quantitative weighted average.

Climate-related Opportunity Prioritised

Time Horizon **Medium/ Long**

Low-carbon solutions

Opportunity to enhance long-term resilience by expanding RE capacity, improving operational efficiency through low-carbon technologies and developing circular-economy solutions that reduce emissions and support a cleaner, more sustainable energy mix.

Impact on Business Model and Value Chain

- Increased revenue diversification as low-carbon solutions scale, improving margins from reduced fuel consumption.
- Enhanced business resilience through a more sustainable asset portfolio and reduced long-term operational risks tied to carbon-intensive activities.

Financial Effects

Anticipated:

Short-, Medium- to Long-term:

The Group is progressively expanding its business into RE, with total investments of approximately RM3.5 billion. This strategic shift enhances revenue diversification, mitigates exposure to fuel price volatility, and supports the generation of stable and predictable cash flows through long-term PPAs.

Effects on Strategy and Decision Making

Core Business: Management continues to optimise conventional generation assets through efficiency improvements and life cycle management while supporting the gradual transition to a lower-carbon portfolio.

New Business Growth: The Group prioritises RE and low-carbon solutions in its growth strategy to diversify revenue and support long-term portfolio resilience.

Resource Allocation: Up to FY2025, approximately RM3.5 billion has been invested in RE projects, alongside progressive deployment of human resources, capability development and selected Engineering, Procurement, Construction and Engineering (EPCC) collaborations to support low-carbon growth.

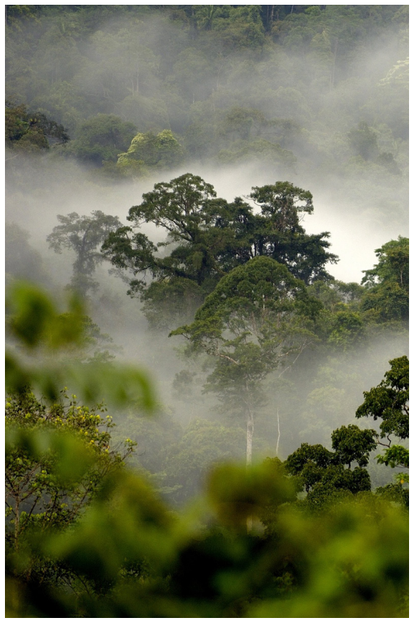
Resilience Assessment

Malakoff assessed climate risks using globally recognised scenarios, providing a structured basis for identifying and evaluating climate-related risks and opportunities across its operations and value chain. Physical risks are analysed using IPCC SSP pathways, which illustrate how different warming trajectories could affect asset exposure and long-term operational continuity.

Baseline Scenario: SSP2-4.5 (Middle of the Road)

Malakoff has selected SSP2-4.5 as the baseline scenario for physical risk assessment, representing a moderate global warming pathway where emissions stabilise before declining mid-century, resulting in an estimated temperature increase of approximately 2.7°C by 2100. Under this scenario, the assessment shows that flooding emerges as the most material physical hazard for Malakoff.

Other hazards such as fire, extreme weather and geotechnical risks generally fall within the low exposure range, resulting in limited financial implications. The SSP2-4.5 baseline therefore provides a realistic central case for evaluating both chronic shifts (e.g. rising temperature and humidity) and acute hazards (e.g. extreme rainfall events), while highlighting that flood risk is the primary driver of potential financial impact across the asset base.



Physical Stress Test: SSP5-8.5 (Fossil-Fueled Development)

Under the SSP 5-8.5 high-warming stress case, Malakoff applies an upper-bound climate scenario to test asset resilience under more extreme conditions. This pathway reflects a potential rise of ~4.4°C by 2100 and is used to identify severe but plausible physical stresses. Even under this intensified scenario, flooding remains the most material hazard, with high exposure and driving the potential financial impacts. Other hazards, including fire, extreme weather and geotechnical risks, generally remain low, indicating limited sensitivity even in a worst-case climate future.

The Group maintains sufficient internal funding and has the flexibility to access external financing, if required, to address climate-related risks and opportunities, including CAPEX investments for the mitigations and strategic plans outlined above.

Malakoff's existing infrastructure can be upgraded or repurposed to support transition initiatives, such as energy efficient solutions and the expansion of renewable energy projects. Ongoing and future investments will continue to focus on enhancing energy efficiency, strengthening operational resilience and enabling long-term adaptability to climate-related challenges.

METRICS AND TARGETS

This section presents the Group's climate-related metrics and targets. Broader sustainability-related metrics and targets and Scope 3 data are disclosed within Malakoff's voluntary disclosure on pages 237 to 239.

Revised Operational Approach and GHG Intensity

Historically, Malakoff applied the equity share approach, however, from FY2025, the Group has adopted the financial control approach to better align with its financial reporting boundaries and governance structure.

Physical Risks	SSP 2-4.5: ~2.7 °C *(moderate emissions reductions)*		SSP 5-8.5: ~4.4 °C *(high emissions, limited mitigation)*	
	Short-Medium term	Long-term	Short-Medium term	Long-term
	2026–2030	2030–2050	2026–2030	2030–2050
Flood	High	High	High	High

As part of this review, two newly acquired entities, ZEC Solar and TJZ Suria were confirmed to fall within the Group's financial control boundary and are therefore required to be included in Scope 1 and Scope 2 emissions reporting. Given that the processes for collecting, reviewing and validating their energy and emissions data were not yet fully in place during FY2025, their emissions have been accordingly excluded. These entities will be progressively incorporated into future reporting cycles as data governance, validation and assurance processes mature.

As the organisational boundary change affects the composition of Scope 1 and Scope 2 emissions, the Group has restated its base year (FY2019) emissions intensity:

0.760 Previously reported base year intensity (tCO_2e/MWh) > **0.755** Restated base year intensity using financial control approach (tCO_2e/MWh)

The change reflects boundary alignment only and does not result in changes from operational activity, efficiency or emission factors. To maintain consistency with the restated base year, the Group has aligned its emissions intensity target to the financial control boundary.

0.530 Previously stated intensity target (tCO_2e/MWh) > **0.529** Aligned intensity target using financial control approach (tCO_2e/MWh)

The ambition and timeframe of the target remain unchanged. The adjustment ensures that progress against the target is measured on a consistent boundary basis. Climate-related targets will be regularly reviewed to maintain their relevance and are aligned with changes in operations, regulations, and climate-related risks and opportunities.

GHG Emissions Performance

The table below summarises the Group's absolute gross GHG emissions for the reporting year, including emissions from entities and operations within the Group's reporting boundary according to financial control consolidation approach.

Energy GHG Emissions [1,2]

GHG Emissions	Unit	2023	2024	2025
SCOPE 1[3]	tCO_2e	17,665,876	20,397,450	**18,085,857**
SCOPE 2 – location based[4]	tCO_2e	80,912	64,770	**66,487**
Joint Venture and Associates				
SCOPE 1	tCO_2e	nil	nil	**nil**
SCOPE 2	tCO_2e	nil	nil	**nil**
Total Absolute Emissions	tCO_2e	17,746,788	20,462,220	**18,152,344**
Gross Energy Produced	MWh	21,947,175	26,195,306	**22,445,735**
GHG Emissions Intensity	**tCO_2e/MWh**	**0.809**	**0.781**	**0.809**

Environmental Solutions GHG Emissions [1,2]

GHG Emissions	Unit	2023	2024	2025
SCOPE 1[3,5]	tCO_2e	12,918	11,484	**12,585**
SCOPE 2 – location based[4]	tCO_2e	1,821	3,621	**2,963**
Total Absolute Emissions	**tCO_2e**	**14,739**	**15,105**	**15,548**

Notes:
1 GHG emissions comprise seven GHG per GHG Protocol, as defined by the United Nations Framework Convention on Climate Change (UNFCCC) (Kyoto Protocol).
2 The Group is not subjected to any emissions-limiting regulations such as cap-and-trade schemes or carbon tax systems as of 31 December 2025.
3 Sources of Scope 1 emissions include stationary combustion sources (such as coal and gas power plants operations) and mobile combustion sources (such as company-owned and operated vehicles), measured from the amount of fuel consumed through purchases.
4 Scope 2 emissions are from purchased grid electricity, consolidated from electricity bills obtained from grid electricity suppliers. Includes office premises owned and managed by the Group. Leased office spaces in which the Group has no ownership of assets and/or no operational control over the building/floor set up and electricity are excluded.
5 Alam Flora's fleet portion is excluded in the net emissions calculation in this inventory. Please refer to page 153 for total vehicle fuel consumption.

Malakoff's climate-related risk screening provides a high-level view of the Group's exposure to transition and physical risks across its operating assets. The assessment highlights where vulnerabilities may emerge under different climate scenarios and how these may influence future strategy, investment planning and operational resilience.

IFRS S2 Cross Industry Metrics	2025
Percentage (%) of assets susceptible to climate physical risks	**43%**
Percentage (%) of assets susceptible to climate transition risks	**86%**
Capital deployment – the amount of CAPEX, financing or investment deployed towards climate-related opportunities (RM million)	**3,496.6**

Note: The physical and transition risk assessment covered seven operating assets within the Energy business.

Methodology, Inputs and Assumptions

The methodologies, inputs and key assumptions applied in measuring the Group's GHG emissions are summarised in the table below. These methodologies are aligned with the GHG Protocol's Corporate Accounting and Reporting Standard and the requirements of IFRS S2 and reflect Management's judgement in applying emission factors, activity data and estimation techniques.

The table outlines the scope of emissions, measurement approaches and material assumptions used in the calculation process to support transparency and comparability of disclosures across reporting periods.

Scope	Measurement Approach	Inputs	Assumptions	Reasons for Measurement Approach, Inputs and Assumptions	Changes to Measurement Approach, Inputs and Assumptions in the Reporting Period
Scope 1	Activity data collection from fuel consumption	Fuel purchase receipts	Global Warming Potentials (GWP) are based on the IPCC Sixth Assessment Report (AR6) with a 100-year time horizon	UK DESNZ provides comprehensive list of emission factors for fuel combustion	No changes to measurement approach, inputs and assumptions
Scope 2	Location-based approach	Electricity bills	Average grid emission factor 2024 for Peninsular Malaysia	Latest national grid emission factor published by the EC	Latest grid emission factor applied in the current year

Internal Carbon Pricing

Carbon pricing is a key transition risk driver for the Group. While the Group has not adopted a formal internal carbon price, Management uses scenario analysis to assess the potential financial sensitivity of earnings and cash flows to a range of carbon cost assumptions across existing operations and planned projects.

The analysis is used to inform strategic planning, investment evaluation and risk management, and reflects uncertainty in the design, coverage, price level and implementation timing of potential carbon pricing mechanisms, as well as the applicable regulatory and contractual treatment. The Group reviews these assumptions periodically and will refine its assessment as market and policy conditions evolve.



From emissions measurement to scenario analysis and carbon pricing using data to navigate climate risks and opportunities.

IFRS S2 CONTENT INDEX

IFRS S2 Indicator	Description	Section	Page Reference
Governance			
6(a)(i)	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	Sustainability Governance	230 - 231
6(a)(ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climated-related risks and opportunities	Please refer to Malakoff Berhad's Corporate Governance Report 2025	
6(a)(iii)	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	Sustainability Governance	231
6(a)(iv)	How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	Sustainability Governance	231
6(a)(v)	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies	Sustainability Governance	231
6(b)(i)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	Sustainability Governance	231
6(b)(ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	Sustainability Governance	231
Strategy			
10(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Risk Management, Strategy	231-233
10(b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	Risk Management	232-233
10(c)	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long-term—the effects of each climate-related risk and opportunity could reasonably be expected to occur	Risk Management	234
10(d)	Explain how the entity defines 'short term', 'medium term' and 'long-term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	Risk Management	234
13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	Strategy	235
13(b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	Risk Management	235
14(a)(i)	Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments)	Strategy	235-236
14(a)(ii)	Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications)	Strategy	234-236
14(a)(iii)	Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains)	Strategy	234-236
14(a)(iv)	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies	Strategy	233-234
14(a)(v)	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets	Metrics and targets	237-238

IFRS S2 Indicator	Description	Section	Page Reference
Strategy			
14(b)	Information about how the entity is resourcing, and plans to resource, the activities disclosed	Strategy	235-236
14(c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods	Climate Report: net zero by 2050, Managing Our Environmental Impact	
16(a)(i)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	Strategy	235-236
16(c)(i)	Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	Strategy, Metrics & Targets	235-236
22(a)(i)	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	Strategy	235-236
22(a)(ii)	How climate-related risks and opportunities have affected its financial position, financial	Strategy	235-236
22(a)(iii)	The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long-term, including: 1. the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities 2. the entity's ability to redeploy, repurpose, upgrade or decommission existing assets 3. the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	Strategy	235-236
22(b)(i)	Information about the inputs the entity used, including: 1. which climate-related scenarios the entity used for the analysis and the sources of those scenarios 2. whether the analysis included a diverse range of climate-related scenarios 3. whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks 4. whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change 5. why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties 6. the time horizons the entity used in the analysis 7. what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis)	Risk Management	236
22(b)(ii)	The key assumptions the entity made in the analysis, including assumptions about: 1. climate-related policies in the jurisdictions in which the entity operates 2. macroeconomic trends 3. national-or-regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources) 4. energy usage and mix 5. developments in technology	Risk Management, Strategy	231-236
22(b)(iii)	The reporting period in which the climate-related scenario analysis was carried out	Risk Management	229
Risk Management			
25(a)(i)	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about: The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	Risk Management	232-233
25(a)(ii)	Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks	Risk Management	232-233
25(a)(iii)	How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	Risk Management	232-233

IFRS S2 CONTENT INDEX

IFRS S2 CONTENT INDEX

IFRS S2 Indicator	Description	Section	Page Reference
Risk Management			
25(a)(iv)	Whether and how the entity prioritises climate-related risks relative to other types of risk	Risk Management	232-233
25(a)(v)	How the entity monitors climate-related risks	Risk Management	232-233
25(a)(vi)	Whether and how the entity has changed the processes it uses compared with the previous reporting period	Risk Management	-
25(b)	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	Risk Management	232
25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	Risk Management	232
Metrics and Targets			
29(a)(i)	Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO_2 equivalent, classified as: 1. Scope 1 greenhouse gas emissions 2. Scope 2 greenhouse gas emissions 3. Scope 3 greenhouse gas emissions	Metrics and Targets	238
29(a)(ii)	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	Metrics and Targets	238
29(a)(iii)	Disclose the approach it uses to measure its greenhouse gas emissions including: 1. the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; 2. the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and 3. any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	Metrics and Targets	238-239
29(a)(v)	For Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	Metrics and Targets	238
29(a)(vi)	For Scope 3 greenhouse gas emissions 1. the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) 2. additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management	Metrics and Targets	
29(b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	Risk Management	235-236
29(c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	Risk Management	235-236
29(d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	Strategy	236
29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Strategy	237
29(f)	Internal carbon prices—the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis) (ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions"	Strategy	239
29(g)	Remuneration—the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration (ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations	Governance	231

IFRS S2 Indicator	Description	Section	Page Reference
Metrics and Targets			
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	Metrics and Targets	237-238
33(a)	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose	Metrics and Targets	233-234
33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	Metrics and Targets	237-239
33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region)	Metrics and Targets	233-234
33(d)	The period over which the target applies	Metrics and Targets	233-234
33(e)	The base period from which progress is measured	Metrics and Targets	233-234
33(f)	Any milestones and interim targets	Metrics and Targets	233-234
33(g)	If the target is quantitative, whether it is an absolute target or an intensity target	Metrics and Targets	233-234
33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	Metrics and Targets	237-239
34(a)	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: Whether the target and the methodology for setting the target has been validated by a third party	Metrics and Targets	
34(b)	The entity's processes for reviewing the target	Metrics and targets	233-238
34(c)	The metrics used to monitor progress towards reaching the target	Metrics and targets	233-238
34(d)	Any revisions to the target and an explanation for those revisions	Metrics and targets	
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance	Metrics and targets, Managing Our Environmental Impact	233-238
36(a)	For each greenhouse gas emissions target, an entity shall disclose: Which greenhouse gases are covered by the target	Metrics and Targets	237
36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target	Metrics and Targets	233-238
36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	Metrics and Targets	233-238
36(d)	Whether the target was derived using a sectoral decarbonisation approach	Strategy	233-238
36(e)(i)	The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits	A Reflection on Sustainability through the Malakoff Lens	
36(e)(ii)	Which third-party scheme(s) will verify or certify the carbon credits	Assurance Statements	
36(e)(iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal	Strategy	-
36(e)(iv)	Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset)	Strategy	-

BURSA MALAYSIA PRESCRIBED TABLE

Malakoff Corporation Berhad
IFRS S2

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FYE 31/12/2025

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate	Scope 1 (Energy business)	tCO2e	18,085,857	-	External (Limited)
Climate	Scope 2: Location-based (Energy business)	tCO2e	66,487	-	External (Limited)
Climate	Total Scope 1 and Scope 2 (Energy business)	tCO2e	18152,344	-	External (Limited)
Climate	Gross Energy Produced	MWh	22,445,735	-	External (Limited)
Climate	GHG Emissions Intensity	tCO2e/MWh	0.809	Reduce GHG emissions intensity by 30% by 2031 from a 2019 baseline year	External (Limited)
Climate	Scope 1 (Environmental Solutions)	tCO2e	12,585	-	External (Limited)
Climate	Scope 2: Location-based (Environmental Solutions)	tCO2e	2,963	-	External (Limited)
Climate	Total Scope 1 and Scope 2 (Environmental Solutions)	tCO2e	15,548	-	External (Limited)
Climate	Percentage of Assets Susceptible to Climate Physical Risks	%	43	-	No assurance
Climate	Percentage of Assets Susceptible to Climate Transition Risks	%	86	-	No assurance
Climate	Capital Deployment (the amount of capital expenditure, financing or investment deployed towards climate-related opportunities)	RM million	3,496.6	-	No assurance

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STATEMENT OF ASSURANCE

ASSURANCE UNDERTAKEN

In strengthening the credibility of the sustainability reporting, selected aspects/parts of this report have been subjected to an internal review by the Company's internal auditors.

SUBJECT MATTER

The subject matters covered by the internal review include the following indicators:

SUSTAINABILITY MATTERS	COMMON INDICATORS
Energy Management	• Energy consumption within the organisation
Emissions Management	• Scope 1 greenhouse gas emissions • Scope 2 greenhouse gas emissions • Scope 3 greenhouse gas emissions (Category 4, 6 and 7)
Health and Safety	• Number of employees trained on health and safety standards • Number of work-related fatalities • Lost Time Incident Rate
Diversity	• Percentage of employees by gender and age group, for each employee category • Percentage of directors by gender and age group
Supply Chain Management	• Proportion of spending on local suppliers
Anti-corruption	• Percentage of operations assessed for corruption related risks • Percentage of employees who have received training on anti-corruption by employee category • Total number and nature of confirmed incidents of corruption

SCOPE

The boundary of the internal review includes the Group's operations and activities in Kuala Lumpur, Johor, Pulau Pinang, Perak, Putrajaya and Pahang. The internal review was with respect to the year ended 31 December 2025 information and does not include earlier periods.

PROCEDURES PERFORMED

The internal review includes the following:

i. Compilation of sustainability data/ information from respective business units by the Corporate Planning department for preliminary review.

ii. Verification and validation of underlying records, information and data by Group Internal Audit.

iii. Inquiries and interview by Group Internal Audit on relevant key personnel in charge of the subject matter data collection, collation and reporting.

iv. Any corrective actions and process improvement recommendations arising from the internal review by Group Internal Audit were also communicated to the respective business units accordingly for immediate action.

INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Malakoff Corporation Berhad

Introduction and objectives of work

Malakoff Corporation Berhad ("Malakoff") engaged Bureau Veritas Certification (M) Sdn. Bhd. ("Bureau Veritas") to provide independent limited assurance over selected sustainability information relating to Energy Management and Emissions Management for the reporting period 1 January 2025 to 31 December 2025 ("FY2025"). This Independent Limited Assurance Statement applies to the selected disclosures described in the Scope of work section below, as presented in Malakoff's Sustainability Statement 2025 and the related climate-related Metrics and Targets disclosure reviewed by Bureau Veritas up to the issue date of this statement.

The objective of this limited assurance engagement is to provide an independent conclusion, in accordance with ISAE 3000 (Revised), on whether the selected sustainability information is prepared, in all material respects, in accordance with the applicable reporting criteria.

Responsibilities

The preparation and presentation of the selected sustainability information are the responsibility of Malakoff's management. This responsibility includes establishing appropriate reporting boundaries, designing and maintaining internal controls over the preparation of the selected disclosures, selecting and applying the reporting criteria, and making estimates that are reasonable in the circumstances. Bureau Veritas was not involved in the preparation of the selected disclosures.

Our responsibility is to perform a limited assurance engagement and to issue an independent assurance report based on the procedures performed and the evidence obtained.

Scope of work

The scope of this engagement was determined with reference to the agreed Verification Plan for Malakoff Sustainability Statement 2025 and covered Malakoff Corporation Berhad and the following entities in scope: Tanjung Bin Power Plant Sdn. Bhd. (TBP), Tanjung Bin Energy Sdn. Bhd. (TBE), Segari Power Plant Sdn. Bhd. (SEV), Prai Power Sdn. Bhd. (PPP), Malakoff Utilities Sdn. Bhd. (MUSB), Alam Flora Sdn. Bhd. (AFSB), and Alam Flora Environmental Solutions Sdn. Bhd. (AFES).

The selected disclosures within scope comprised sustainability information relating to:

- Energy Management, including fuel consumption, purchased electricity and total energy use from relevant operations, and Gross Energy Produced where reported;
- Emissions Management, including Scope 1 and Scope 2 greenhouse gas emissions and emissions intensity metrics where reported; and
- Related notes describing organisational boundary, methodology, assumptions, exclusions, restatements and presentation of the above disclosures.

This engagement did not extend to other sustainability information outside the selected disclosures, including forward-looking statements, targets, commitments, offsets or credits, and Scope 3 emissions except where such information was considered solely for presentation consistency and cross-reference review.

Reporting criteria

The reporting criteria for this engagement comprise Malakoff's stated definitions, methodologies, organisational boundaries, consolidation rules and calculation approaches for the selected disclosures, as described in the Sustainability Statement 2025 and related supporting methodology documentation, with reference to Malakoff's stated reporting frameworks, including GRI Standards, SASB and IFRS S2 where applicable to the selected disclosures.

Assessment standard

This limited assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the nature, timing and extent of procedures performed for a limited assurance engagement are less than for a reasonable assurance engagement, and the level of assurance obtained is correspondingly lower.

Summary of procedures performed

Based solely on the documentation made available to us up to the issue date, Bureau Veritas performed procedures that included, as applicable:

- review of the agreed entities in scope and applicable criteria;
- review of the draft Sustainability Statement 2025 disclosures relating to M7 Energy Mix and Efficiency and M8 GHG Emissions, together with the related climate-related Metrics and Targets disclosure;
- analytical review and internal consistency checks of selected tables, totals, units, cross-references, boundary notes and disclosures across the documents provided;
- selected recalculation and reasonableness checks of disclosed totals and inter-table consistency for selected energy and greenhouse gas metrics; and
- review of disclosed methodology notes, assumptions and stated exclusions relevant to the selected disclosures.

Limitations and exclusions

This engagement was performed on a limited assurance basis and on the basis of the information and documentation made available to Bureau Veritas by Malakoff's management up to the issue date of this statement. The procedures performed were designed to obtain limited assurance and were not intended to detect all errors, omissions or misstatements that may exist.

Our conclusion relates only to the selected disclosures described above for FY2025 and does not extend to any other information included in Malakoff's Sustainability Statement 2025 or related disclosures that is not expressly identified as being within the scope of this engagement.

Basis for Disclaimer of Conclusion

The agreed Verification Plan contemplated a risk-based limited assurance approach for detailed testing and identified full review of the group consolidation as a key component of the engagement. The plan also contemplated testing of underlying records such as fuel invoices, weighbridge tickets, stockpile reconciliations, calorific value reports, electricity bills, meter logs, emissions calculation files, factor libraries and related governance sign-offs.

STATEMENT OF ASSURANCE

Based on the documentation made available for this engagement, Bureau Veritas performed limited assurance procedures over the selected FY2025 sustainability disclosures. These procedures included review of the organisational boundary and application of the financial control approach, assessment of the stated definitions, methodologies, conversion bases and key assumptions, analytical review of the reported energy and greenhouse gas data, selected recalculations of totals, subtotals and unit conversions, and review of the presentation of the selected disclosures in the Sustainability Statement 2025 and the related IFRS S2 Metrics and Targets disclosure.

On the basis of these procedures, Bureau Veritas obtained evidence over the documented FY2025 reporting approach applied by Malakoff, including the use of the financial control boundary, the compilation basis and presentation of the selected energy consumption disclosures, the Scope 1 and Scope 2 greenhouse gas summary disclosures, and the related reporting assumptions, restatements and boundary notes described by management. This includes the transparent disclosure that ZEC Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd., although within the Group's financial control boundary from 31 January 2025, were temporarily excluded from FY2025 energy consumption and Scope 1 and Scope 2 reporting pending completion of data governance and validation processes.

Inherent limitation

Bureau Veritas has diligently applied its expertise and rigorous processes to ensure the accuracy and reliability of the information presented. While the inherent nature of any assessment means the possibility of undetected errors or irregularities remains, our comprehensive scope and design are intended to identify and address potential weaknesses in internal controls related to data preparation and presentation. Testing procedures were carefully executed according to the engagement plan, focusing on key areas of risk.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that Malakoff's selected FY2025 sustainability Disclosure, within the scope of this engagement, is not fairly stated and materially accurate in all material respects, in accordance with the stated criteria.

Specifically, with respect to the indicators within the scope of our limited assurance, this statement represents Bureau Veritas's conclusion on the reported figures.

Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company specialising in quality, health, safety, social and environmental management. Bureau Veritas has implemented a Code of Ethics to maintain high ethical standards and to prevent conflicts of interest.

No member of the assurance team has a business relationship with Malakoff, its Directors or Managers beyond that required for this engagement. The engagement team has the appropriate competence and experience to perform this limited assurance engagement.

The independent assurance opinion statement has been prepared for the Stakeholders of Malakoff and only for the purpose of verifying its statement relating to the Scope detailed above.

STATEMENT OF ASSURANCE

Bureau Veritas complied to ISO 17021-1:2015 Conformity assessment — Requirements for bodies providing audit and certification of management systems where it has founded the principle of independence of accessor, competency, impartiality, confidentiality and accessor professional behaviour.

Restriction of liability

Our report, including our conclusion, has been prepared solely for the reason specified in paragraph one and the Board of Directors of the company and for no other purpose. Any reliance on this report by any third party is entirely at its own risk. We do not assume or accept responsibility or liability to anyone other than Malakoff Corporation Berhad, for our work, for this report, or for conclusion we have reached.

For and on behalf of Bureau Veritas Certification (M) Sdn. Bhd., Kuala Lumpur, Malaysia.
Issue Date: 27 March 2026

Ng Sheng Wa
Southeast Asia Certification & Sustainability Manager

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Implementing robust corporate governance practices is essential for enhancing shareholders' value, fostering business integrity, building investors' confidence, and achieving the corporate objectives and vision of Malakoff Group.

The Board is fully committed to ensuring that the Group's Corporate Governance Framework aligns with the requirements and guidelines set forth in the Companies Act 2016 (Act), the Malaysian Code on Corporate Governance 2021 (MCCG 2021), and the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia).

With oversight over management's functions, the Board consistently strives to enhance the Group's long-term interests by upholding its four core corporate governance pillars: ethical behaviour, accountability, transparency and sustainability. This commitment reflects the Board's dedication to maintaining the highest standard of corporate governance.

The Board is pleased to present this Corporate Governance (CG) Overview Statement for the financial year ended 31 December 2025 based on the following principles of MCCG 2021:

PRINCIPLE A **Board Leadership and Effectiveness**

PRINCIPLE B **Effective Audit and Risk Management**

PRINCIPLE C **Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders**

This CG Overview Statement shall be read together with the CG Report 2025, which is available on the Company's website at www.malakoff.com.my.

CORPORATE GOVERNANCE FRAMEWORK

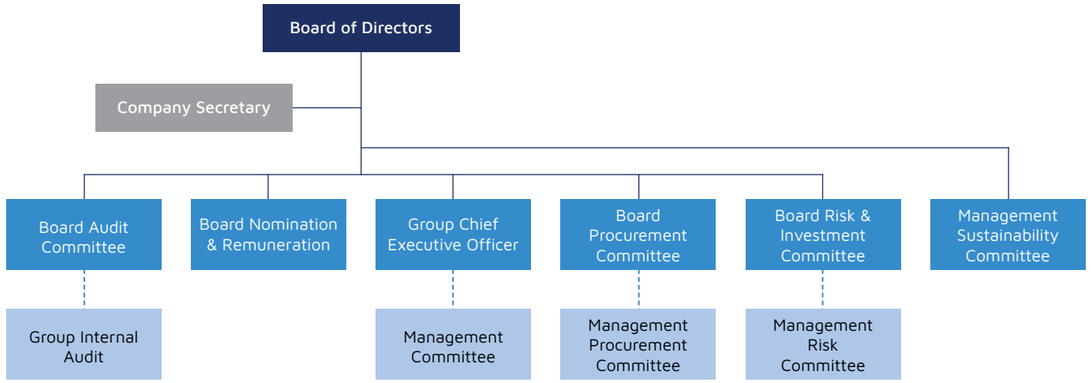
The Board is firmly committed to upholding the highest standards of corporate governance across the Group's systems, procedures and practices. Demonstrating effective leadership, the Board ensures adherence to elevated ethical standards in its decision-making processes.

Recognising that sound corporate governance practices are pivotal for the smooth, effective, and transparent operation of Malakoff, the Board emphasises their role in garnering investor confidence, protecting shareholders' rights, and unlocking shareholder value. Transparency and accountability are championed in the boardroom and throughout the entirety of Malakoff.

Malakoff boasts a well-defined and meticulously structured corporate governance framework, aligning with the Board's overarching goal of achieving long-term and sustainable value. This framework fosters a corporate culture that places a premium on ethical behaviour, integrity and accountability.

The Board executes its responsibilities based on the governance framework, which is supported by robust mechanisms. Retaining ultimate accountability over the Company's performance and affairs, the Board ensures the Group's adherence to ethical standards. Malakoff's governance structure guarantees role clarity, delineating responsibilities and recognising the independent roles necessary for effective governance. This structure strives to promote strategic alignment across the Group and facilitate sound decision-making, showcasing the governance oversight role of the Board and the collaborative flow between various governance components.

The following describes Malakoff's governance structure, along with an overview of the key committees of the Board and Management Committees.



PRINCIPLE A

Board Leadership and Effectiveness

I. Board Responsibilities and Charter

The Board assumes its responsibility to promote the success of the Group by directing and supervising the affairs of the Group in a responsible and effective manner. The Board's primary role has always placed its focus on directing and overseeing the management of Malakoff's business and affairs with the goal of achieving long-term success and delivering sustainable value to its stakeholders. This includes setting the Company's strategic direction, monitoring Management's strategies execution and financial performance, setting risk tolerance levels ensuring that Management implements effective risk management practices and making major policy decisions.

The duties and responsibilities of the Board are as follows:

- review and adopt the overall strategic plans and programmes for the Company and the Group;
- oversee and evaluate the conduct of business of the Company and the Group;
- review and ensure that any transaction entered into with a related party is fair, reasonable and not to the detriment of minority shareholders;
- identify principal risks and ensure implementation of a proper risk management system to manage such risks;
- establish a succession plan;
- develop and implement shareholders communication policy for the Company;
- review the adequacy and the integrity of the management information and internal control system of the Company and the Group; and
- promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.

All Directors are collectively responsible for creating and delivering long-term sustainable value for the business. A pivotal responsibility of the Board is to balance the interests of the Group and its stakeholders including employees and the communities it serves. The Board also takes cognisant of sustainability best practices within which the Company's Environmental, Social and Governance (ESG) issues will be considered in making decisions aligned with Malakoff's Sustainability Targets which focus on carbon emissions, renewable energy and waste management.

Good corporate governance is crucial to keep the Group moving through the changing regulatory and market environment, which proved to be among the material matters raised by the stakeholders and maintaining sustainability in the long term. The Board views corporate governance as an integral part of the Group's business strategy. Through prudent and effective controls, the Board continuously assesses and manages emerging risks and opportunities in ensuring long-term sustainable development and growth.

The Directors are aware of their collective and individual responsibilities to all shareholders for the manner in which the affairs of the Company are managed, controlled and operated. The Board is satisfied that it has continuously fulfilled these duties and obligations during the year under review of which each Director has devoted sufficient time to effectively discharge his/her responsibilities.

The current composition of the Board has a blend of skills, experience and knowledge enabling them to provide effective oversight, strategic guidance and constructive challenge in examining, reviewing and deciding on Management's proposals. The Group Chief Executive Officer (GCEO) of the Company is empowered to implement strategies approved by the Board.

The Board further strengthened its leadership structure with the appointment of Tan Sri Wan Zulkiflee Wan Ariffin as Independent Non-Executive Chairman and Dato' Mohd Nazrul Izam bin Mansor as Non-Independent Non-Executive Director, who joined the Board on 1 March 2026 and 12 March 2026, respectively.

These appointments formed part of the Company's orderly board renewal and succession planning process aimed at ensuring continuity in leadership, while reinforcing the Board's collective expertise, governance oversight and strategic guidance. Tan Sri Wan Zulkiflee's appointment as Chairman strengthened the Board's independence and leadership stewardship, bringing with him extensive experience in the energy industry and corporate governance. Meanwhile, the appointment of Dato' Mohd Nazrul Izam further strengthened the Board's capabilities with his broad leadership experience across multiple sectors.

The Board is governed by a Board Charter that defines its roles and responsibilities, the principles for Board's operation, Board's evaluation and remuneration, code of conduct and ethics and matters reserved for the Board. The Board reviews the Board Charter as required to ensure its relevance to the Company's operating environment and compliance with prevailing rules and regulations.

In addition to the Board Charter, the Company had adopted a Fit and Proper Policy in 2022 which enhances Board quality in the appointment and re-election of Directors of the Company. The Board Charter and Fit and Proper Policy are accessible through the Company's website at https://www.malakoff.com.my/corporate-governance.

Being a key policy of the Group, Limits of Authority (LOA) specifies the authority limits for the Board, Board Committees, Management Committee, GCEO and Senior Management to facilitate compliance with good corporate governance principles. The Board retains the overall management and control of the Group's business and affairs. The Board may, if necessary, revise the LOA to reflect the changes in the Group's operating environment.

Code of Conduct and Ethics

The Board has formulated a code of conduct and ethics for the Group, and together with Management implements its policies and procedures which include among others managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct of Malakoff is published on the Company's website at https://www.malakoff.com.my/corporate-governance.

Whistleblowing Policy

The Company's Whistleblowing Policy provides employees and third parties with proper avenue and procedures to disclose cases of improper conduct such as criminal offences, fraud, corruption, non-compliance to laws and regulations, breach of Group policies and Code of Conduct or other malpractices without fear of reprisal.

A whistle-blower is assured confidentiality of identity and this includes protecting the whistle-blowers from detrimental actions within the Company, to the extent that is reasonably practicable, that may result from the disclosure of improper conduct, provided that the disclosure is made in good faith. The Whistleblowing Policy is also to ensure that fair treatment is provided to both the whistle-blower and the alleged wrongdoer upon disclosure of improper conduct.

Disclosure of improper conduct can be made verbally or in writing to the Chairman of the Board Audit Committee and the Chief Internal Auditor via letter or e-mail to whistleblowing@malakoff.com.my.

The salient terms of the Whistleblowing Policy are available on the Company's website at https://www.malakoff.com.my/corporate-governance.

Roles and Responsibilities between the Chairman and the GCEO

The Company maintains clear separation of roles and responsibilities of the Chairman and GCEO as clearly defined in the Board Charter. The Chairman is in charge of the Board's leadership and is instrumental in creating the necessary conditions for open communication/ discussion or information sharing both inside and outside the boardroom. The Chairman promotes and supervises the highest levels of corporate governance within the Board and the Company.

The GCEO is in charge of the day-to-day operations of the Company in line with the Board's approved strategies and objectives.

Board Committees

Four Board Committees established by the Board worked within its respective functions and authorities as stated in the relevant terms of reference (TOR) of the Board Committees that are available at www.malakoff.com.my. All deliberations, discussions and outcome of the committee meetings are reported by the Chairman of the respective Board Committee to the Board at the next meeting.

Board Audit Committee (BAC)	Board Nomination & Remuneration Committee (BNRC)	Board Risk & Investment Committee (BRIC)	Board Procurement Committee (BPC)

This enables the Board members to spend time efficiently in deliberating specific issues after the Board Committees' review. In delegating its authority to Board Committees, the Board does not abdicate its responsibility and has exercised collective oversight at all times. The Board further ensures that its delegation does not hinder or reduce its ability to discharge its functions.

Board Audit Committee (BAC)

The BAC assists the Board in carrying out its statutory and fiduciary responsibilities with regards to the monitoring and management of financial risk processes, accounting practices, internal control system, and the Group's management and financial reporting practices. To accomplish this, the BAC oversees the reports of external and internal auditors, protects the integrity of financial reporting and fosters a sound system of internal controls to protect and enhance the Company's value.

The BAC role has been expanded to cover the review of conflict of interest (COI) situations (including those that arose or persist, in addition to those that may arise) involving Directors and key senior management, and the measures taken to resolve, eliminate, or mitigate the COI.

Details of BAC activities are reported in the BAC Report on pages 273 to 279.

Board Nomination & Remuneration Committee (BNRC)

The BNRC is responsible for the following activities within its defined TOR:

a) Overseeing the nomination and selection of Board members and Senior Management;
b) Assessing and monitoring the Board's composition and effectiveness;
c) Undertaking development needs and succession planning initiatives; and
d) Recommending and reviewing policies, remuneration structure for the Board and the Group as a whole.

The BNRC reviews the composition of the Board periodically especially on the application of best practices under MCCG 2021. The tenure of each director is reviewed by BNRC and annual re-election of director(s) is contingent upon satisfactory evaluation of the directors' performance and contribution to the Board. As for the remuneration structure and review of the Board and Senior Management, a description is provided in the "Remuneration Section" of this CG Overview Statement.

Board Risk & Investment Committee (BRIC)

The BRIC assists the Board in ensuring the implementation of effective risk management processes to manage the overall risk exposure for the Group. It is also responsible to oversee the implementation of effective anti-bribery & corruption management system in line with the requirements of Section 17A of MACC Act 2009. Apart from these roles, BRIC is also responsible to review and recommend to the Board any major investments, which may include the acquisition and divestment of businesses, companies, land and buildings, bidding for binding tenders and contracts for new power generation, water desalination and waste management services projects, and assessing the key associated risks. This includes funding options and costs as well as the investment returns to the Company/Group.

Board Procurement Committee (BPC)

The BPC functions within its delegated authority and TOR, assists the Board in reviewing the Group's procurement proposals and tenders to ensure that due attention is given in screening through the procurement proposals and the processes/procedures before the award of contract is recommended or approved for the Management's action.

Company Secretaries

The Board is supported by the Company Secretaries qualified under the Act, whose advice and service are available to the Board at any time and without restriction. The Company Secretaries assist the Board in its leadership role, fiduciary duties and governance stewardship. They advise the Board on corporate governance related matters, the Board's policies and procedures and ensure the Board complies with the relevant rules and regulatory requirements as well as updates issued by the relevant regulatory authorities from time to time.

Board Meetings

The Board practices a culture of open debate and raises challenging questions at meetings. Directors are impartial in their views, with the Company's and stakeholders' best interests at the forefront of every major decision. The robust and vigorous deliberations at Board and Board Committee meetings provide opportunities to all Directors to participate and contribute to the decision-making process as well as to ensure that the process of constructive and healthy dialogue is achieved.

Directors are well aware of their obligations to immediately declare their interests in any transaction to be entered directly or indirectly with the Company. They disclose the extent and nature of their interests in the transaction(s) at a Board meeting or as soon as the Directors become aware of the conflict of interest. The interested Directors will abstain from participating in the deliberation and Board decision on the matter.

Meeting Attendance

The Board is satisfied that each director has devoted sufficient time to effectively discharge his/her responsibilities given their commitment to make themselves available at all Board and Board Committee meetings, barring any unavoidable circumstance or where directors are the interested parties to abstain from attending the meetings.

During the financial year under review, the Board met nine times, comprising five scheduled meetings and four ad hoc meetings convened to consider urgent matters or proposals. Details of the Board members' attendance are summarised below:

Directors	Designation	Total Meetings Attended
Tan Sri Wan Zulkiflee Wan Ariffin (appointed on 1 March 2026)	Independent Non-Executive Chairman	-
Tan Sri Che Khalib Mohamad Noh (resigned on 1 March 2026)	Non-Independent Non-Executive Chairman	9/9
Anwar Syahrin Abdul Ajib (resigned on 1 September 2025)	Managing Director & Group Chief Executive Officer (MD&GCEO)	6/6
Datuk Rozimi Remeli	Independent Non-Executive Director	9/9
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director	8/9
Dr. Norida Abdul Rahman	Independent Non-Executive Director	9/9
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director	8/9
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director	9/9
Puan Lim Tau Kien	Independent Non-Executive Director	9/9
Dato' Mohamad Razif Haji Abd Mubin (appointed on 11 March 2025)	Independent Non-Executive Director	8/8
Dato' Mohd Nazrul Izam Mansor (appointed on 12 March 2026)	Non-Independent Non-Executive Director	-

All Directors fulfilled the minimum attendance requirement of at least 50% of the Board meetings pursuant to Paragraph 15.05(3)(c) of the MMLR of Bursa Malaysia.

The Board is committed to meet at least four times a year after the end of each financial quarter where the unaudited quarterly results would be reviewed and approved before being released to Bursa Malaysia. Meeting dates for the whole year are scheduled in advance and the calendar for the Board and Board Committees' meetings is circulated to the Directors before the commencement of each financial year to enable the Directors to plan their schedule in advance.

Supply and Access to Information

Board papers are circulated to all Directors via a collaborative meeting software which allows the Board to securely access, read and review the Board/Committees documents. In addition, the usage of software eases the process of distribution of Board papers physically and minimises leakage of sensitive information. Every effort is made to ensure timely circulation of notices, agenda and meeting materials to the Board to enable the Directors to have sufficient time to prepare themselves for Board meetings and to facilitate effective Board discussion.

The Directors have direct access to the Management as well as Company Secretaries for their advice, and unrestricted access to any information relating to the Group to enable them to discharge their duties. The Directors, whether collectively as a Board or in their individual capacity, may seek independent professional advice at Malakoff's expense in the discharge of their duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Management ensures that the presentations of proposals or updates to the Board are delivered in a manner with clear and adequate understanding of the subject matter. If there is any urgent matter or additional document not delivered within the reasonable timeframe, Management will explain the subject matter at the meeting.

All deliberations and decisions of the Board, including any dissenting views and Directors' interests in any transaction with the Group who have abstained from deliberating and voting on a particular matter, are clearly recorded in the minutes of meeting. The minutes of meetings are circulated to the Board for review before the same are confirmed at the next Board meeting.

The Board's 2025 Key Focus Areas and Priorities

The key areas of focus for the Board which appear as items on the agenda of the Board meetings during the year under review are tabulated below:

Strategy

- Attended the annual strategy engagement session with Management for the Group's 5-year business plan from 2026 to 2030; and
- Quarterly update on business development initiatives approved under the business plan, its progress and challenges.

Financial Oversight and Reporting

- Annual budget and capital/operation expenditure plan of the Group for financial year 2026;
- The Group's quarterly interim financial results; and
- The Group's tenders and procurements in accordance with LOA and internal policies and procedures of the Group.

Risk, Compliance and Oversight

- Action plans to mitigate significant strategic and operational risks faced by the Group on quarterly basis;
- Quarterly reports of the Group's safety performance for the Group's local operating assets;
- Internal audit reports from the BAC;
- Quarterly reports of the related party transactions and recurrent related party transactions (RRPTs) to ensure that the transactions entered by Malakoff Group with related parties are fair, reasonable and not detrimental to the minority shareholders' interest;
- Renewal of shareholders' mandate for RRPTs of a revenue or trading nature;
- The adequacy and the integrity of the Management information and internal control systems of the Company and the Group; and
- The Group's compliance with the relevant laws and regulation as well as Malakoff's internal policies and procedures including the Companies' Constitution.

Board Performance and Composition

- Annual Board assessment to evaluate the performance of the Board, Board Committees and the individual directors;
- Monitored the attendance of Directors for trainings, seminars and workshops to keep themselves abreast with recent development of laws, regulations and the industry; and
- Reviewed the composition of the Board and Board Committees and key subsidiaries.

Leadership Evaluation and Selection

- Setting of Corporate Key Performance Indicators (KPIs) upon the approval of the business plan for 2026;
- Achievement of the Corporate KPIs for the performance against KPIs for 2024; and
- Determination of bonus and salary increment for the GCEO and Senior Management team.

Succession planning

- Succession planning for the GCEO, Senior Management team and other key positions of the Company and key subsidiaries;
- Reviewed and evaluated the calibre and suitability of candidate(s) to be nominated to the Board of the Company, key subsidiaries and associate companies; and
- Reviewed Talent Management and Development initiatives.

Sustainability and Environmental, Social & Governance

- Reviewed ESG-related matters; and
- Reviewed and monitored the Group's corporate social responsibilities (CSR) and related activities to promote CSR.

- Reviewed and considered the social and environmental impact of the Group's activities and operations and monitor the compliance with the Group's sustainability responsibilities and the relevant regulatory requirements.

Sustainability

The Board together with Management are responsible for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets. The Board has considered sustainability matters when exercising its duties including, among others, the development and implementation of the Group's strategies, business plans, major action plan and risk management.

Strategic management of material sustainability matters are being driven and managed on a day-to-day basis by the Senior Management.

The Board has formulated a plan in communicating the Group's sustainability strategies, priorities and targets as well as performance against these targets to its internal and external stakeholders. This plan includes annual disclosures of material sustainability matters which is included in pages 144 to 227 of this Integrated Annual Report.

The Group has also established the Management Sustainability Committee (MSC) to oversee, review and implement matters in relation to the Company's ESG strategy and initiatives, as well as embedding sustainability practices into the Company and its subsidiaries. Established in 2022, the MSC is chaired by the GCEO, and reports directly to the Board. It supports the Board in fulfilling its statutory and fiduciary responsibilities in relation to sustainability matters based on regulatory requirements. The sustainability-related function is helmed by the Sustainability, Research and Investor Relations Department (SRIR)*. SRIR is at the forefront of executing sustainability strategies and projects. Serving as the core driver for sustainability efforts, the department oversees day-to-day operations and is committed to integrating sustainability principles into tangible initiatives. The department also ensures that the Company's actions are in line with ESG objectives, contributing to long-term sustainable success. In terms of operational updates and performance, SRIR provides regular information to the Management.

* SRIR is re-designated as Corporate Planning in January 2026. All sustainability-related matters are overseen by Corporate Planning.

The roles of the Board, MSC and SRIR are illustrated below:

Roles	Responsibilities
Board of Directors	• Holds the collective responsibility for overseeing the governance of sustainability within the Company. This involves establishing the Company's sustainability strategies, priorities and targets • Sustainability considerations are integrated into the Board's decision-making processes, informing its duties such as the formulation and execution of the Group's strategies, business plans, major action plans and risk management initiatives

MSC	• Oversees, evaluates and resolves matters pertaining to the Group's sustainability strategy and initiatives, embracing ESG aspects while integrating sustainability practices throughout the Company and its subsidiaries
	• Supports the Board in fulfilling its statutory and fiduciary duties concerning sustainability matters, in accordance with the MMLR
	• Key sustainability areas under purview are:
	  • Climate change mitigation and adaptation
	  • Energy transition initiatives
	  • Sustainability-oriented research and innovation
	  • Resource use and efficiency, including energy and water
	  • Fair employment and labour rights
	  • Safety, health, employment practices and community relations
	  • Other areas deemed material from time to time

Roles	Responsibilities
SRIR	• Develops and executes sustainability strategies, policies and roadmaps in line with the Group's Sustainability Framework • Drives decarbonisation initiatives outlined in the ESG Roadmap, working with all departments within the Group to achieve net zero emissions by 2050 and monitor progress using performance indicators • Ensures compliance with ESG regulations, laws and international standards including climate, environmental, human rights, safety and supply chain matters • Engages in Sustainability Advocacy with shareholders and stakeholders on ESG issues • Manages sustainability reporting and disclosure requirements in accordance with IFRS S1 and IFRS S2 • Acts as custodian of Malakoff's GHG inventory framework and carbon accounting methodology and administer strategic emissions management initiatives • Oversees the collection, consolidation and analysis of emissions data across the Group • Oversees processes for identifying and managing ESG risks and opportunities aligned with the Group's commitment to sustainability and UN SDGs

The functions of the roles above reflect Malakoff's sustainability governance structure.

In addition to the above, as the Board recognises the importance of sustainability, it has taken action to improve the Company's sustainability framework. At this point of time, the Board is initiating the following improvement plan for the following CG practices:

Practice No. 4.3

MCCG Practice Description
The Board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Malakoff Group's Actions
To ensure the Board is equipped and ready to execute its role, the Board will identify the professional development needs concerning sustainability and ensure these are addressed.

The Board is evaluating its composition and its skills matrix to strengthen board leadership and oversight of sustainability issues.

Practice No. 4.4

MCCG Practice Description
Performance evaluations of the Board and Senior Management include a review of the performance of the Board and Senior Management in addressing the company's material sustainability risks and opportunities.

Malakoff Group's Actions
Malakoff's Corporate KPIs include key ESG metrics since 2022. We have further enhanced our ESG metrics to include emissions intensity reduction, carbon avoidance, recycling rate, Lost Time Injury Frequency Rate (LTIFR), statutory & regulatory compliance and anti-bribery awareness. The Group has established a Sustainability Framework and frequently communicates on the progress of its ESG roadmap through sustainability advocacy. The Company also constantly monitor sustainability risks and opportunities, reporting to the Board on a quarterly basis.

The Group's business and sustainability goals are aligned through our Sustainability Framework, for sharper focus to create value for critical areas involving our stakeholders and business. The sustainability goals will drive Malakoff's sustainability performance throughout our business and strengthen the Group's commitment to creating long-term value for our stakeholders.

Malakoff incorporates environmental considerations in the Group's business strategy to maintain the Group's long-term competitive performance while safeguarding the environment and related communities. Integrating these considerations implies the Group's operation in an ethical and responsible manner that provides reasonable assurance of its long-term financial viability.

As a sustainably conscious organisation, Malakoff takes a three-pronged holistic approach towards sustainability. Our approach of embedding the triple bottom line into business operations, objectives and goals ensures that the Group will remain relevant in the longer term.

The heightened materiality of sustainability to the business requires the Board to factor in sustainability components, risks and opportunities into its strategies at all times. The Board together with Management take responsibility in the establishment of the Company's sustainability agenda and road map. Robust processes, controls and governance are in place to ensure transparent disclosures. There is greater Board oversight of ESG issues and greater accountability on matters pertaining to ESG.

The strategy and long-term vision are underpinned by the Company's commitment to contribute to the greater good of our people and planet through responsible business practices and 13 out of 17 Sustainable Development Goals (SDGs) of the 2030 Agenda. As a leading player in the power and environmental services sector, the Group will continue to support the government's initiatives in achieving the Nationally Determined Contributions (NDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) and towards being a carbon neutral nation by 2050.

The Sustainability Framework defines primarily, the implementation of our sustainability strategy across the Group's business and our commitment to environmental responsibility with carefully considered goals, programmes and business partners. Integrating ESG impacts involve amongst others, mitigating climate change risks, managing our facilities and conducting our business activities to minimise environmental impact.

The Board acknowledges that the Company's financial outcomes are linked to our ability to manage ESG risks and opportunities as much as we recognise that an inclusive society build on human dignity and the responsible use of human capital is essential for all of us to thrive.

The well-being of customers, employees and other stakeholders as well as the environment is crucial to sustaining the Company's long-term performance and continued relevance. The Board considers the integration of ESG factors as a component of the Board's fiduciary responsibility, and accountable therefore to the oversight and management of sustainability.

The Sustainability Statement for 2025 (refer to pages 127 to 249 of this Integrated Annual Report) sets out Malakoff's commitment to improving the Group's sustainability practices so that we are more competitive, resilient and adaptable to change. The Integrated Annual Report details the scope of our sustainability reporting and sustainability framework for the year under review.

II. Board Composition

Independent Non-Executive Directors (IND)

There are nine (9) directors on the Board comprising non-executive directors (NED), seven (7) are IND, of which one (1) is independent non-executive chairman (INEC) and two (2) non-independent non executive directors (NINED). In this respect, the Company fulfilled Practice 5.2 of MCCG 2021 for Large Companies to have a majority of independent directors (ID). With the current Board composition of more than 50% IDs on the Board, it has also met the requirement of MMLR of Bursa Malaysia.

The Board composition includes directors with various backgrounds, credentials, experience, knowledge and skills. This enables the Board to provide insights, perspectives and independent judgement to lead and steer the Group's business.

Whilst it is important to promote diversity, the normal selection criteria of a director based on an effective blend of competencies, skills, experience and knowledge in areas identified by the Board remain a priority. The Board is committed to ensure that its composition not only reflects diversity but will also have the right mix of skills and balance to contribute to the achievement of the Company's goals and objectives. The Board believes that the Board size is optimal in terms of number, diversity and length of service/experience. This Board composition is able to support objective and independent deliberation, review and decision-making to allow for a more effective oversight of Management.

The Board acknowledges that NEDs may hold external directorships and other business interests. The Board reviews the declarations made by Directors on the number and nature of their external directorships. The Board has in place a set of procedures for Directors' compliance/ declaration of their potential external Board appointment to ensure that there is no potential conflict in the pending appointment. The Board also have adopted a Conflict of Interest Policy to manage any conflict of interest issue.

The Board recognises the important contributions of INEDs for good corporate governance. Board decisions are made, taking into account the views of the INEDs as they carry substantial weight in ensuring that strategies proposed by Management are deliberated and examined for the best interests of the shareholders and stakeholders.

The Board, save for the NINEDs, has determined that the IDs have fulfilled the criteria under the definition of an ID as stated in the MMLR of Bursa Malaysia and are able to maintain their independent and objective judgements, and contribute positively to the business strategies, operations and corporate governance of the Company and the Group.

Tenure of Independent Directors (ID)

Under the Company's Policy on INED Tenure, the tenure of IDs is limited to nine years with a provision for re-appointment subject to annual shareholders' approval up to twelve years of service. Based on the Board assessment carried out for FY2025, the Board was satisfied that the length of service of IDs does not impair independent and objective judgement to be exercised by the IDs and for them to discharge their fiduciary duties in the best interests of the Company and the Group.

The cumulative term of service of each ID for FY2025 is summarised below:

Name of Independent Directors	Year(s) of Service (Approximate)
Tan Sri Wan Zulkiflee bin Wan Ariffin* (appointed on 1 March 2026)	-
Datuk Rozimi Remeli	8 years, 2 months
Dr. Norida Abdul Rahman	3 years, 4 months
Datuk Prakash Chandran Madhu Sudanan	2 years, 9 months
Datuk Wira Roslan Ab Rahman	2 years, 6 months
Puan Lim Tau Kien	1 year, 7 months
Dato' Mohamad Razif Haji Abd Mubin* (appointed on 11 March 2025)	10 months

* Two Independent Directors of the Company were appointed during the period under review

Boardroom Diversity

Malakoff recognises the importance of diverse background, experience, age, gender and race of its directors that would reinforce the Company in maintaining a compelling competitive advantage. These divergences allow for difference in opinion and perspectives and offer all options to be deliberated before decisions are made. These distinctions are considered when deciding on the Board composition. The Company's Board Diversity Policy outlines the approach to diversity on the Board including gender, age and ethnic diversity.

The criteria, process and requirements to be observed by the BNRC and the Board in carrying out their responsibilities on nomination, assessment and re-election of Director(s) are outlined in the TOR of BNRC. The BNRC continues with its efforts to identify and assess suitable woman candidate to be appointed on the Board. Currently, there are two women directors on the Board and as such the Company had complied with the MMLR of Bursa Malaysia requiring at least one women director to be appointed for the Company.

A summary of Board composition by category, age, gender and race/ethnicity is provided below:

Skill & Experience

Energy/Technical	4
Business Administration/ Economics	2
Accounting	2
Legal	1

Age

50–59 years old	2
60 years & above	7

Gender

Male	7
Female	2

Race/Ethnicity

Malay	7
Chinese	1
Indian	1
Others	0

The age, gender and race/ethnicity statistic of Senior Management is also provided below:

Age

30-39 years	0
40-49 years	3
50-59 years (including GCEO)	12

Gender

Male (including GCEO)	13
Female	2

Race/Ethnicity

Malay (including GCEO)	12
Chinese	2
Indian	1

The Board discloses in its Board Charter on gender diversity for the Board and gender diversity for Senior Management in this Integrated Annual Report.

The Board Diversity Policy of Malakoff is also made available at https://www.malakoff.com.my/corporate-governance.

Appointment of Directors

Appointment of directors and senior management is based on objective criteria, merit and with due regard for diversity in skills, experience, age, ethnicity and gender. Directors appointed should be able to devote the required time to serve the Board effectively.

In identifying candidates for appointment of directors, the Board does not solely rely on recommendations from existing directors, management or major shareholders. The Board will utilise independent sources to identify suitably qualified candidates as and when required. If the selection of candidates is based on recommendations made by existing directors, management or major shareholders, the BNRC would assess and provide justification on the basis of the recommendation.

The Board ensures shareholders have the information they require to make an informed decision on the re-election and re-appointment of director(s). This includes details of any interest, position or relationship that might influence or reasonably be perceived to influence, in a material respect of their capacity to bring an independent judgement to bear on issues before the Board, and to act in the best interests of the Company as a whole.

Re-election and Re-appointment of Directors

In accordance with Article 105 of the Company's Constitution, one-third of the Directors for the time being shall retire by rotation at an annual general meeting (AGM) of the Company provided always that all Directors shall retire from office at least once in every three years and be eligible for re-election at the AGM. A Director retiring at the AGM shall retain office until the close of the meeting.

In accordance with Article 111 of the Company's Constitution, Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office until the conclusion of the next AGM and be eligible for re-election.

The Board at its meeting held on 16 March 2026 endorsed the recommendation of the BNRC for the following Directors to be considered for re-election pursuant to the relevant Articles of the Constitution at the Company's forthcoming 20th AGM. The Directors named below have offered themselves for re-election at the said AGM:

Article 105

(a) Dato' Mohd Naim Daruwish

Article 111

(a) Tan Sri Wan Zulkiflee Wan Ariffin
(b) Dato' Mohd Nazrul Izam Mansor

In assessing Directors' eligibility for re-election and re-appointment, the BNRC considers their competencies, commitment, contribution and performance based on the Board's annual evaluation, fit and proper assessment on the directors within the scope of the Company's Fit and Proper Policy, and their ability to act in the best interest of Malakoff. The Directors' rotation list was presented to the BNRC for endorsement prior to its recommendation to the Board for approval.

Fit and Proper Policy (F&P Policy)

Pursuant to the F&P Policy adopted by Malakoff on 30 June 2022 that sets out the fit and proper criteria and due diligence process for appointment and re-election of directors, the directors standing for re-election at the forthcoming 20th AGM had completed the Fit & Proper Declaration Form for review by the BNRC and Board. It serves as a guide for the BNRC and Board in evaluating the director for re-election to the Board.

Other than new appointment and re-election of directors, the fit and proper assessment on a director may also be conducted at any time the Company becomes aware of information that may materially compromise a director's fitness and propriety.

Annual Evaluation

The Board conducts an evaluation on the effectiveness of the Board, Board Committees and each individual director annually. For the financial year under review, the Board and Directors' evaluation was conducted by the Corporate Secretarial team.

The Board evaluation focuses on the following six key parameters:

- **A** Board Structure
- **B** Board Accountability
- **C** Information & Engagement
- **D** Board Procedures
- **E** GCEO/Top Management
- **F** Board Committees

A set of questionnaires was circulated for the Board and Board Committees evaluation. The results of evaluations were summarised and presented to the Board on 16 March 2026. As a whole, the evaluation results for the financial year under review demonstrated that the Board met the performance criteria required for an effective and committed Board.

Based on the results of the annual evaluation of the Board, Board Committees and individual Directors for the year under review, the Board is able to gauge and put in place appropriate actions to address areas for improvement. The evaluation confirmed the strength of the Board and the high performing boardroom culture. Priority areas and key findings have since been incorporated in the action plans that would further improve the Board performance in the new financial year.

Directors' Training

The Board recognises the importance of continuous training for Directors and encourages all Directors to attend appropriate programmes, courses and seminars to stay abreast on the relevant business development and industry outlook. This is to ensure Directors are equipped with the necessary skills and knowledge to perform their duties and responsibilities. In addition, the Company organises an induction programme and orientation for new Directors on board.

All Directors have completed the Mandatory Accreditation Programme (MAP) as prescribed by Bursa Malaysia Securities, comprising Part I (Director's Roles, Duties and Responsibilities) and Part II (Sustainability and Related Roles of a Director).

During the financial year under review, all Directors attended at least one training/seminar/workshop and the summary of which is provided in the table below:

Name	Trainings
Tan Sri Wan Zulkiflee Wan Ariffin	1. Global Perspectives on Access to Finances for the Future Gas Industry (including Cross-Borders Partnership for Resilient Gas Industry; Fuelling the Evolving Malaysian Gas Landscape) 2. Talk on "Imposition of US Tariff and impacts to the Group" 3. Nestlé S.A.'s Perspectives on Enterprise Risk Management 4. US Tariffs Update and Implications (Adaptability; Capturing Conglomerate Synergies) 5. AI for Leadership 6. The Geopolitical Business – Economist Impact and McKinsey & Company 7. MMC Directors e Invoicing Briefing; Practical ChatGPT Skills Training for Leaders 8. The Inaugural ASEAN Inclusive Growth Summit 2025 – ASEAN Business Advisory Council (ASEAN BAC) Malaysia 9. ASEAN Business & Investment Summit 2025 – ASEAN Business Advisory Council (ASEAN BAC) Malaysia 10. Artificial Intelligence (AI) Integration and Governance / Ethical Oversight 11. Navigating the Digital Frontier: Technology Risks and Boardroom Strategies 12. Closed-door Roundtable 2025 on Board Effectiveness and the Role of NEDs/INEDs – Institutional Investors Council Malaysia (IIC), Asian Corporate Governance Association (ACGA) & ICDM
Datuk Rozimi Remeli	1. Energy Asia 2025 - Delivering Asia's Energy Transition 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025
Dato' Mohd Naim Daruwish	1. Walking the Tightrope: The Dual Role of Nominee Directors 2. Portfolio Carbon Inventory Workshop 3. Boardroom Blind Spots: Navigating Grey Zone & Managing Conflict of Interest 4. A Boardroom Simulation: Experiencing it Live 5. Practical ChatGPT Skills Training for Leaders 6. MMC Directors e-Invoicing Briefing 7. Leading with Integrity Forum 2025
Dr. Norida Abdul Rahman	1. Ecosperity Week 2025: Financing Asia's Transition (FAST) Conference 2025 2. Energy Asia 2025 - Delivering Asia's Energy Transition 3. Board Risk Oversight Best Practices: A Strategic Approach 4. The Directors Guide to Driving Corporate Culture and ERM 5. Risk Appetite, Risk Tolerance and Risk Maturity Frameworks 6. The Directors Guide to Strategic ERM 7. Directors Guide to ESG and ESG Risk Management 8. Directors Guide to Emerging Risk and Black Swans 9. The Directors Guide to Role of Boards in Fraud Risk Management 10. Directors Guide to Dealing with Opportunity in Risk 11. Leading with Integrity Forum 2025
Datuk Prakash Chandran Madhu Sudanan	1. Audit Committee Conference 2025 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025

Name	Trainings
Datuk Wira Roslan Ab Rahman	1. Energy Asia 2025 - Delivering Asia's Energy Transition 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025
Puan Lim Tau Kien	1. Siemens Data Centre Conference 2025 2. Climate Governance Malaysia' 1st Masterclass 2025 – Carbon Pricing & Markets: EU Insights and Implications for Malaysia 3. Climate Governance Malaysia National Climate Governance Summit 2025 4. Cyber Security Posture of GuocoLand Limited Group including GuocoLand (Malaysia) Berhad (GLM) and GLM's subsidiaries 5. The Dewesternisation of Knowledge: A Civilisational Engagement 6. SPRM_Comply with the MACC Act – Avoid Bribery, Protect Your Job 7. Strategic Oversight in Strategy Implementation – Getting Execution Right at the Board Level 8. Property & Construction – Risk Agility for Tax & ESG 9. How Our Perceptions of Risk Influence our Boardroom Effectiveness 10. Climate First or Last? 11. Balancing Risks & Opportunity in Sustainability Leadership 12. Practical ChatGPT Skills Training for Leaders 13. MMC Directors e-Invoicing Briefing 14. The Chinese Emphasis on Culture: Manifestation of Nationalism or a Return to Basics? 15. Audit Oversight Board Conversation with Audit Committees
Dato' Mohamad Razif Haji Abd Mubin	1. Mandatory Accreditation Programme Part I 2. Mandatory Accreditation Programme Part II 3. Energy Asia 2025 - Delivering Asia's Energy Transition 4. Practical ChatGPT Skills Training for Leaders 5. MMC Directors e-Invoicing Briefing 6. Leading with Integrity Forum 2025

III. Board Remuneration

The Board remuneration has been designed to align with industry practices, taking into account the appropriate calibre of each Director whilst upholding the shareholders' interests. This is to ensure the remuneration package is able to attract, retain and motivate capable directors.

The Board remuneration will be reviewed by the BNRC before proposing to the Board for consideration. The BNRC is made up of the following NEDs:

Name of Directors	Designation
Dr. Norida Abdul Rahman (Chairperson)	Independent Non-Executive Director
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Puan Lim Tau Kien	Independent Non-Executive Director

Remuneration Policy

The Board has remuneration policies and procedures to determine the remuneration of directors and senior management, considering the demands, complexities and performance of the Company as well as skills and experience required. The policies ensure remuneration level is sufficient to attract, retain and motivate high calibre individuals with the required credentials, skills, talent and experience in the Board and Board Committees.

The remuneration policies and practices reflect the different roles and responsibilities of NEDs, executive directors and Senior Management. These policies and procedures are periodically reviewed by the BNRC.

The remuneration recommendation to the Board for the Company's Directors and Senior Management shall be based on the following considerations:

(i) levels of remuneration structure are sufficient to attract and retain the individuals needed to run the Company successfully at the Board as well as senior management level;

(ii) links rewards to both the Company and individual performances, responsibilities, expertise and complexity of the Company's activities;

(iii) aligns the interests of directors, senior management and our stakeholders with the business strategy and long-term objectives of our Company;

(iv) information obtained from independent remuneration sources within similar industry.

Directors' Remuneration

(a) Remuneration of the Executive Director(s) and Group Chief Executive Officer (GCEO)

The remuneration package for the executive directors and GCEO is structured to link rewards with corporate and individual performance. The BNRC is responsible to review and recommend Remuneration Policy and Framework as well as the remuneration package for the GCEO to the Board. The Board has overall responsibility to approve the remuneration for these positions.

(b) Remuneration of the NEDs

The remuneration package for NEDs reflects the individual's merits, valuable contribution and level of responsibilities. The fees payable to NEDs are reviewed and determined by the Board with the recommendation of the BNRC. Individual director(s) who have shareholding in the Company will abstain from voting on his/her own fees at the general meetings.

(c) Remuneration of the Group's Senior Management (excluding GCEO)

The Company's remuneration policy takes into account the various levels of Senior Management based on job grade structure, roles and responsibilities and levels of accountability. This ensures that remuneration packages are just and fair. All bonuses are determined by the Board on the recommendation of the BNRC after reviewing the individual performance appraisals and achievements.

During the financial year ended 31 December 2025, the Group underwent a leadership transition. Anwar Syahrin Abdul Ajib resigned from his role as MD&GCEO, and Syahrunizam Samsudin was appointed as the GCEO. The Board ensured that the transition was conducted in an orderly manner to support continuity of leadership and business operations.

The details of the aggregate remuneration disclosed reflects the respective tenures and roles held by each individual during the financial year ended 31 December 2025 are set out in the table below:

Executive Director (ED)									
Name of Director	**Salary, Bonus and Defined Contribution* (RM)**	**Board Committee/ Subsidiary Monthly Allowances (RM)**		**Meeting Allowances of Board and Board Committees (RM)**		**Other Allowances/ Emoluments* (RM)**	**Monetary Value of Benefits-in-Kind (BIK)* (RM)**	**Total (RM)**	
		Company	**Subsidiaries**	**Company**	**Subsidiaries**			**Company**	**Subsidiaries**
Anwar Syahrin Abdul Ajib (from 1 January 2025 to 1 September 2025)	1,900,578.00	-	-	-	8,500.00 **	41,645.00	-	1,942,223.00	8,500.00
Sub-total for ED	**1,900,578.00**	**-**	**-**	**-**	**8,500.00**	**41,645.00**	**-**	**1,942,223.00**	**8,500.00**

* The said amounts are paid to the Managing Director & Group Chief Executive Officer (MD&GCEO) as per his employment remuneration package.
** Meeting allowances for Board meetings payable by the subsidiaries of Malakoff, Malaysian Shoaiba Consortium Sdn. Bhd. and Alam Flora Sdn. Bhd. (Alam Flora) are shared on an equal basis between Malakoff and the MD&GCEO.

NED									
Name of Director	**Directors' fees (RM)**	**Board Committee/Subsidiary Monthly Allowances (RM)**		**Meeting Allowances (RM)**		**Other Allowances [a] (RM)**	**Monetary Value of BIK (RM)**	**Total (RM)**	
		Company	**Subsidiaries**	**Company**	**Subsidiaries**			**Company**	**Subsidiaries**
Tan Sri Che Khalib Mohamad Noh	360,000.00	-	60,000.00[b]	27,500.00	3,500.00[b]	25,525.57[c]	120,000.00[e]	533,025.57	63,500.00
Datuk Rozimi Remeli	108,000.00	69,709.67	-	73,000.00	-	25,000.00	-	275,709.67	-
Dato' Mohd Naim Daruwish	108,000.00	48,000.00	-	63,000.00	-	44,417.36[d]	-	263,417.36	-
Dr. Norida Abdul Rahman	108,000.00	60,000.00	60,000.00[b]	63,500.00	6,500.00[b]	25,000.00	-	256,500.00	66,500.00
Datuk Prakash Chandan Madhu Sudanan	108,000.00	78,000.00	-	53,500.00	-	25,000.00	-	264,500.00	-
Datuk Wira Roslan Ab Rahman	108,000.00	89,516.13	-	56,000.00	-	25,000.00	-	278,516.13	-
Puan Lim Tau Kien	108,000.00	71,274.20	-	43,500.00	-	22,245.01[c]	-	245,019.21	-
Dato' Mohamad Razif Hj Abd Mubin	87,096.77	38,709.68	-	57,000.00	-	25,000.00	-	207,806.45	-
Sub-total for NED	**1,095,096.77**	**455,209.68**	**120,000.00**	**437,000.00**	**10,000.00**	**217,187.94**	**120,000.00**	**2,324,494.39**	**130,000.00**
Total (ED & NEDs)	**2,995,674.77**	**455,209.68**	**120,000.00**	**437,000.00**	**18,500.00**	**258,832.94**	**120,000.00**	**4,266,717.39**	**138,500.00**
Total remuneration at Group level	**2,995,674.77**	**575,209.68**		**455,500.00**		**258,832.94**	**120,000.00**	**4,405,217.39**	

Notes:
a. Other allowances paid by Malakoff to the NEDs comprising annual leave passage and annual supplemental fees.
b. Monthly allowances and meeting allowances payable by the subsidiary of Malakoff, Alam Flora.
c. Annual leave passage & supplemental fees claimed for year 2024 and 2025.
d. Annual leave passage & supplemental fees claimed for year 2023, 2024 and 2025.
e. Benefits-in-kind paid to the Chairman of Malakoff comprising car maintenance allowance of RM10,000 per month.

PRINCIPLE B

Effective Audit and Risk Management

I. Board Audit Committee (BAC)

The BAC assists the Board in carrying out its oversight responsibilities by reviewing financial information and providing an unbiased review on the effectiveness and efficiency of the Group's internal controls.

The BAC is made up of four members, all of whom are IDs. The BAC is chaired by an INED who does not hold chairmanship on the Board. The BAC members possess extensive experience in finance and energy industry who could effectively contribute to business strategy and corporate governance discussions with shrewd business acumen.

Name of Directors	Designation
Puan Lim Tau Kien (Chairperson) (Redesignated as Chair on 15 January 2025)	Independent Non-Executive Director
Datuk Rozimi Remeli (Redesignated as Member on 15 January 2025)	Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director

All BAC members are financially literate and have sufficient understanding of the Group's business. This enables them to continuously apply a critical and probing view on the Group's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials.

The roles and responsibilities of BAC are as follows:

1. assist the Board in fulfilling its statutory and fiduciary responsibilities in examining and monitoring the Company and its subsidiaries' management of business, financial risk processes, accounting and financial reporting practices;
2. determine the adequacy and effectiveness of the administrative, operational and internal accounting controls of the Group and to ensure that the Group is operating in accordance with the prescribed procedures, code of conduct and applicable legal and regulatory requirements;
3. serve as an independent and objective party from management in the review of the financial information of the Company and Group presented by management for circulation to shareholders and the general public;
4. provide direction and oversight of the internal and external auditors of the Company to ensure their independence from management; and
5. evaluate the quality of audits conducted by the internal and external auditors on the Company and Group.

With the enhancements to conflict of interest (COI) disclosure for listed companies as mandated by Bursa Malaysia, the role of BAC is expanded to review and report to the Board, any COI situation together with the measures taken to resolve, eliminate or mitigate such conflicts.

The Company has a policy that requires a former partner of Malakoff's external auditors to observe a cooling-off period of at least three years before his/her appointment as a member of the BAC. This requirement is included in the TOR of BAC. To date, none of the BAC members has been a former key audit partner of the Company.

The BAC report for the financial year 2025 has been reviewed by the BAC to ensure its compliance with the relevant regulatory requirements and guidelines.

Review of External Auditors

The BAC has policies and procedures to assess the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of audited financial statements.

Evaluation of the external auditors is conducted annually based on their experiences, capabilities, audit approach and independence prior to recommending their appointment or re-appointment to the shareholders for approval. The evaluation includes review on the auditors' service levels and any significant changes to their scope of work to address new business developments, for recommendation of their re-appointment to the BAC.

External auditors are evaluated on their objectivity and independence, technical competency and ability, understanding of the Group's businesses and industries, resources assigned and capability of the engagement team as well as making recommendations in areas in need of improvement.

The BAC considers the information presented in the Annual Transparency Report of the audit firm on matters covered therein including the audit firm's governance, leadership structure and measures undertaken by the audit firm to uphold audit quality and manage risks.

Policies are in place for any non-audit services proposal by external auditors to be presented to the BAC to ensure the auditors' independence is maintained.

For more detailed explanation on BAC, please refer to the BAC Report section in this Integrated Annual Report.

Internal Audit

The Group Internal Audit (GIA) supports the Board through the BAC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation. The internal audit function is considered an integral part of the assurance framework and GIA's purpose is to strengthen the Company's ability to create, protect and sustain value by providing the Board, BAC and Management with independent, risk based and objective assurance, advice, insight, and foresight. At the same time, GIA also assists the BAC and Management to achieve the Company's goals and objectives by bringing a systematic and disciplined approach in evaluating and improving the effectiveness of governance, risk management, and internal control processes within the Group.

With its independent status within the Group, GIA reports directly and functionally to the BAC and administratively to the GCEO. GIA is also independent of the activities and functions that it audits and performs its duties in accordance with the Internal Audit Charter, as approved by the Board, which establishes the framework for the effective and efficient functioning of GIA. The BAC also reviews and approves the appointment and removal of the Chief Internal Auditor, performance evaluation, Annual Internal Audit Plan, budget and organisation structure of GIA to ensure that it is adequately resourced with competent staff to perform its role and function effectively and independently.

The standards and practices adopted by GIA are aligned with the International Professional Practices Framework issued by the Institute of Internal Auditors. As at 31 December 2025, the total number of personnel in GIA was eight including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 43 of this Integrated Annual Report.

Details of the internal audit function and activities are presented in the BAC Report section on pages 273 to 279 of this Integrated Annual Report.

Financial Reporting

Financial procedures and standards have been put in place to assist the Board in discharging its duty of ensuring that Malakoff maintains adequate and accurate records for purposes of timely reporting of its financial statements. Ultimately, this results in better stakeholder communication enabling them to have informed assessment of Malakoff's performance and future prospects.

For the year under review, no accounting irregularities were reported by either internal or external auditors.

II. Risk Management and Internal Control

The Board has established BRIC to oversee the Group's overall risk management and integrity policies and frameworks, and to assess major investments by the Group. The BRIC consists of four members, with three members who are INED, with diverse background. Each BRIC member has vast management experience, in-dept knowledge of the industry and integrity.

The composition of BRIC is as follows:

Name of Directors	Designation
Datuk Wira Roslan Ab Rahman (Chairman) (Redesignated as Chairman on 10 February 2025)	Independent Non-Executive Director
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Rozimi Remeli (Resigned on 10 February 2025)	Independent Non-Executive Director
Dato' Mohamad Razif Haji Abd Mubin (Appointed on 11 March 2025)	Independent Non-Executive Director

In the discharge of its responsibility to effectively manage enterprise and integrity risks across Malakoff, the Board reviews its risk management processes and internal control procedures to ensure a sound risk management and internal control system to safeguard shareholders' investments and the assets of Malakoff.

The Management is accountable to the Board to ensure effective implementation of risk and integrity management and internal control system. The Management formulates and endorses the risk and integrity management policies, frameworks and guidelines including their implementation across the Group. The identified risks are reviewed quarterly (or as required) and appropriate control measures are applied to mitigate the identified risks. The Management also assigns accountabilities and responsibilities at appropriate levels within Malakoff and ensures that all the necessary resources are efficiently allocated to manage these risks.

Further details on the Group's risk management and internal control frameworks are described and explained in the Statement of Risk Management and Internal Control section of this Integrated Annual Report.

PRINCIPLE C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

I. Communication with Stakeholders

Malakoff recognises the importance of understanding the expectations of stakeholders and to effectively communicate the Company's strategies, plans and actions, keeping them up to date on the Group's latest financial performance and business matters affecting the Group. To that end, we have regularly engaged with our respective stakeholders on various platforms to gauge their perspectives and insights on emerging issues that are important and impactful to both the stakeholders and the Company's business as well as operations. Among the platforms utilised are:

- Corporate Website - provides an essential platform for investors and other stakeholders to access information periodically;
- Quarterly Newsletter - a comprehensive summary of significant developments, milestones and key events across the Malakoff Group, communicated to our stakeholders each quarter;
- Annual/Extraordinary General Meetings - offer an opportunity to our shareholders to raise their questions and concerns on the Group's performance directly to our Board and Management;
- One-on-one and group meetings/investor conferences/ roadshows/site visits/analysts' briefings - throughout the year, meetings held with key shareholders, institutional investors, potential investors, and analysts (sell-side, buy-side, equity and fixed income) to share, discuss and update the Group's business and financial performance in addition to our strategic plan;
- Integrated Annual Report - our report provides a comprehensive report on the Group's financial performance operations, strategic direction and sustainability performance; and
- Sustainability Advocacy - engage with a broad range of stakeholders and participate in discussions with the Government and other relevant parties to keep stakeholders informed of the Company's sustainability and ESG initiatives and performance.

The summary of their expectations and the ways Malakoff engages in response to their expectations are provided under the Stakeholder Engagement section on pages 136 to 143 in this Annual Integrated Report.

Regular communication and engagement with stakeholders are critical for the sustainable growth of the Group's business as this gives stakeholders better insight of Malakoff and facilitates mutual understanding of each other's expectations. The Company deems that an open dialogue with relevant stakeholder groups such as regulatory agencies, employees, shareholders, investors and the general public as necessary.

Accordingly, the protection of shareholders' and stakeholders' interests both in the short and long-term is central to the way the Board operates. The Board acknowledges that effective engagement is crucial in understanding the views of the Company's stakeholders to make an informed decision.

For further information on Malakoff's financial reports, financial information, shareholders' information, AGM details and announcements uploaded to Bursa Malaysia, refer to the Investor Relations webpage at www.malakoff.com.my/investor-relations/.

Investor Relations Activities

The Company continues to be transparent and accountable to the investment community including our shareholders and investors recognising the importance of timely dissemination of information to shareholders and other stakeholders. The Board is also committed to ensure that the shareholders and other stakeholders are well informed of major developments of the Group with information communicated through various channels including the Integrated Annual Report, disclosures and announcements to Bursa Malaysia, press releases, dialogues, discussions, presentations at general meetings and briefings, conferences as well as the Investor Relations' webpage.

During the year under review, we increased our engagements with the investment community and conducted as well as participated in approximately 32 one-on-one and group meetings, conferences and analysts' briefings, both physically and virtually, garnering strong participation from close to 200 attendees. During these engagements, the Group would address the investment community's concerns, where possible, to deliver sustainable value to its shareholders. Engagement with the investment community intensified in 2025, with investors seeking detailed insights into the Company's financial performance to enable informed earnings forecasts and investment assessments. Operational matters were also featured prominently in discussions as investors sought clarity and response from the Company on matters related to the Group as a whole. Alongside these, investors continued to express strong interest in the Group's ESG agenda, including our sustainability strategy and commitment to responsible business practices. Additionally, we have been actively engaged with Bursa Malaysia, to ensure that the Group practices the highest standards of transparency and disclosure.

Refer to pages 90 to 93 of the Integrated Annual Report for further reference.

II. Conduct of General Meetings

The Board and Management implement several measures to ensure shareholders are able to participate, engage the Board and Senior Management effectively, and make an informed voting decisions at general meetings. The Board, with the assistance of the Company Secretary, has provided shareholders with sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM by issuing the notice for AGM at least 28 days before the meeting.

Notice for the 19th AGM was sent to shareholders on 28 March 2025. The notice included details of the resolutions to be tabled and explanations on the resolutions. Details of the resolutions proposed along with background information and reports or recommendations that are relevant were also provided in the Notice of AGM.

The 19th AGM of the Company was held physically on Tuesday, 29 April 2025 at 10.00 a.m. at the Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Selangor Darul Ehsan. Shareholders and proxies were present in person and were provided with the opportunity to engage directly with the Board and Senior Management during the AGM. All resolutions tabled at the AGM were duly passed by the shareholders.

The minutes of meeting was made available on Malakoff's website at www.malakoff.com.my within 30 business days after the AGM.

Key Focus Areas and Future Priorities

The investment landscape is evolving with the growth of ethical and responsible investing, supported by established standards used to assess how companies operate in relation to the environment, their stakeholders and governance practices. There is a growing perception within the investment community that companies meeting ESG criteria are better positioned to manage risks and operate sustainably over the long term.

Hence, the Company always bears this in mind in achieving higher corporate governance standards. In accomplishing this goal, the Management provides its annual update and highlight to the Board on the Company's journey of governance. With this continuous effort by the Board and Management, the Board has viewed the key focus areas and future priorities in corporate governance practices as described below:

1. The Board will look into the possibility to increase disclosure of sustainability targets, initiatives and performance through improved engagement with key sustainability bodies to encourage transparent reporting and tracking.

2. The Board remains committed to actively work towards having more women directors on the Board, depending on the availability of qualified candidates and the Board's skill requirements.

Building on the strategic foundations established through Malakoff Transformation 2.0 in 2021 and the Sustainability Framework introduced in 2022, the Group reorganised its businesses in the fourth quarter of 2025 to sharpen strategic clarity and execution. While these initiatives had already anchored the Group around its three business pillars, Energy, Green Solutions and Environmental Solutions, the accelerating pace of climate, regulatory and market developments indicate that maintaining a 'business-as-usual mindset' was no longer viable.

As climate imperatives intensify alongside regulatory and market shifts, to remain competitive in supporting the nation's transition agenda, the Company has strategically reset its focus through Strategic Plan 2026 - 2030: Setting the Baseline, anchoring the next phase of growth by sharpening priorities within the Energy and Environmental Solutions businesses. The Energy segment now provides a cohesive growth platform, combining diversified thermal operations with renewable development to support reliability and Malakoff's lower carbon transition, while Environmental Solutions supports circularity and sustainable urban development through waste management, WTE ventures and facilities management.

The Company continues to play a critical role in ensuring grid reliability, supported by a total capacity of 6,953 MW in Malaysia, maintaining its position as the largest IPP. The Group's RE footprint in Malaysia expanded to 766 MW following the award of the nation's largest LSS project in Perak. Continued investment in new thermal capacity through gas turbine reservations indicate the Group's system critical role, using gas to balance decarbonisation objectives with supply reliability.

Aligned with the NETR, Environmental Solutions supports Malaysia's lower carbon transition, with WTE recognised under the bioenergy lever, under Malaysia's circular economy agenda. The WTE in Sungai Udang, Melaka is expected to generate 22 MW of RE, diverts over 300,000 tonnes of waste annually, and avoids an estimated 75,000 tonnes of carbon emissions. The Johor Port Reception Facilities together with expansion into new waste segments, enhances the Group's exposure to scheduled waste management opportunities. In the meantime, the Group continues to expand its concession and non-concession businesses to other areas in Malaysia.

In view of reducing carbon emission at the Company's coal plants and ensuring availability and stability of energy into the grid, Malakoff has secured a flagship project under the NETR to champion an initiative to biomass co-firing at the Company's Tanjung Bin Power Plant with a targeted 15% biomass capacity by 2027.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

(Pursuant to paragraph 15.26(a) of the MMLR of Bursa Malaysia)

The Board has given its assurance that the financial statements are prepared in accordance with the Act and the applicable approved accounting standards for each financial year which gives a true and fair view of the state of affairs of the Group and the Company in a transparent manner at the end of the financial year and of the results and cash flows for the financial year.

The Directors' Report for the audited financial statements of the Company and the Group is outlined on pages 291 to 296 of this Integrated Annual Report together with the details of the Company and the Group financial statements for the financial year ended 31 December 2025 which are set out on pages 291 to 426 of this Integrated Annual Report.

COMPLIANCE STATEMENT BY THE BOARD ON THE CORPORATE GOVERNANCE OVERVIEW STATEMENT

This statement on the Company's corporate governance practices is made in compliance with paragraphs 15.25 and 15.08A of the MMLR of Bursa Malaysia.

Having reviewed and deliberated this statement, the Board is satisfied that to the best of its knowledge, the Company is in compliance with the principles and practices set out in the MCCG 2021 as well as the relevant paragraphs under the MMLR of Bursa Malaysia for the financial year under review. Any practices in the MCCG 2021 which have not been implemented during the financial year would be reviewed by the Board and be implemented where practical and relevant to the Group's business.

This statement has been presented and approved by the Board at its meeting held on 16 March 2026.

BOARD AUDIT COMMITTEE REPORT

The Board of Directors (Board) of Malakoff Corporation Berhad (MCB or Company) is pleased to present the Board Audit Committee (BAC or Committee) Report for the financial year 2025 (FY2025).

COMPOSITION AND ATTENDANCE

The BAC comprises four (4) members as follows, all of whom are Non-Executive Directors (NEDs) and Independent NEDs. This meets the requirements of paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia).

MEMBERS OF BAC	NO. OF MEETINGS ATTENDED
Puan Lim Tau Kien *Chairperson/Independent Non-Executive Director (Member of the Malaysian Institute of Accountants)*	5/5
Datuk Rozimi Remeli *Member/Independent Non-Executive Director*	5/5
Datuk Prakash Chandran Madhu Sudanan *Member/Independent Non-Executive Director*	5/5
Datuk Wira Roslan Ab Rahman *Member/Independent Non-Executive Director*	5/5

MEETINGS

The BAC met five (5) times during the FY2025. The Committee also met with the External Auditors and Chief Internal Auditor separately on two (2) occasions, without Management's presence and had accordingly complied with the frequency of meeting requirement under its Terms of Reference (TOR).

The Group Chief Executive Officer (GCEO), Chief Financial Officer (CFO) and Chief Internal Auditor (CIA) were invited to attend all BAC meetings. The involvement of senior management in the BAC meetings enabled direct communications and discussions between the BAC members and senior management in such manner that matters pertaining to the Company's and its subsidiaries' (collectively Group) financial results, operational issues, internal control, governance and internal audit matters are better appreciated by the BAC.

The External Auditors were engaged to conduct a review on the Group's interim half-year financial results. The review provided assurance to the BAC on the reliability and consistency of the Group's interim financial results announced to Bursa Malaysia as well as compliance with applicable Financial Reporting Standards. Representatives of the External Auditors were also invited to attend the BAC meetings, as and when the BAC considered appropriate.

The Company Secretaries act as the Secretaries of the BAC. The Chairman of the BAC reports the key matters discussed at each BAC meeting to the Board.

ANNUAL PERFORMANCE ASSESSMENT OF BAC

The performance and effectiveness of the BAC and its members are assessed annually through the Board Committee effectiveness evaluation. The Board is satisfied that the BAC and its members have been able to discharge their functions, duties and responsibilities in accordance with the BAC's TOR in supporting the Board in ensuring that the Group upholds appropriate Corporate Governance standards. The TOR of the BAC is available for reference under the "Corporate Governance" section of the Company's website at www.malakoff.com.my.

SUMMARY OF ACTIVITIES FOR THE FY2025

(i) Financial Reporting

The BAC reviewed all four (4) quarterly financial statements of the Company with Management before making recommendation to the Board for its consideration and approval to release the same to Bursa Malaysia.

The BAC also reviewed the consolidated annual audited financial statements of the Company for the FY2025, any audit issues and reservations arising from the statutory audit with the External Auditors, prior to making recommendations to the Board for its consideration and approval.

The quarterly financial statements were prepared in accordance with the Malaysian Financial Reporting Standards (MFRS) 134, Interim Financial Reporting and Appendix 9B (Part A) of the MMLR of Bursa Malaysia while the consolidated annual audited financial statements were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements under the Companies Act 2016.

During the review of the financial statements, the following tasks were carried out by the BAC:

(a) Discussed and reviewed with Management and External Auditors, where applicable, the accounting policies adopted and applied by the Group to ensure compliance with the applicable approved accounting standards, including the appropriateness of the accounting provisions and compliance with other statutory and regulatory requirements;

(b) Reviewed the declaration of the dividends of the Company, including the solvency test required under the Companies Act 2016, ensure the Company has adequate resources to continue in operation for the next 12 months, before such declaration of dividends were recommended to the Board for approval;

(c) Reviewed the key audit matters and their implications to the Group, and how these matters were addressed in the audit, going concern considerations and the Auditors' Report that were included in the Company's Integrated Annual Report; and

(d) Reviewed the BAC Report to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement and recommended the same to the Board for approval.

(ii) External Audit

Where applicable, at the meetings of the BAC during FY2025, the following were reviewed and discussed with the BAC by the External Auditors, Messrs. KPMG PLT (KPMG):

(a) Reviewed the report on new and recurring significant audit findings including financial reporting issues, significant judgements made by Management and unusual events or transactions. The report includes Management's responses to the findings and their action plans to address the issues raised by the External Auditors, for BAC's notation and feedback, where necessary;

(b) Reviewed and monitored the nature and extent of the non-audit services provided by the External Auditors in accordance with the policy on non-audit services to ensure that the independence and objectivity of KPMG in performing their duties as the Group's External Auditors are safeguarded and any potential conflict of interest is being managed;

(c) Reviewed the External Auditors' 2025 Audit Plan prior to the commencement of the statutory audit for FY2025, highlighting amongst others, the engagement team involved in the statutory audit, audit timeline, scope and nature of the audit and audit focus areas, including key audit matters for the statutory audit;

(d) Discussed and recommended the proposed fees for the statutory audit for the Board's approval;

(e) Discussed and reviewed the results of the annual assessment evaluated by the BAC and Management in respect of the quality of audit, covering the External Auditors' performance, suitability and its independence as the Company's External Auditors for FY2025. The results of the assessment for FY2025 were noted by the BAC and KPMG was recommended for re-appointment as the External Auditors of the Company for FY2026. The Board at its meeting held on 16 March 2026 approved the BAC's recommendation for re-appointment of KPMG, subject to the shareholders' approval being obtained at the forthcoming 20th Annual General Meeting (AGM) of the Company; and

(f) Held two (2) private sessions with the External Auditors in February and November 2025, without the presence of the Management. The meetings provided an open and unrestricted forum for the External Auditors to discuss with the BAC the areas of concern and findings related to the Group's financial statements for the attention of BAC.

The fee for non-audit services provided by KPMG for FY2025 amounted to RM247,000 which was approved by the Chief Financial Officer in line with Clause 7.4.1 of the non-audit services policy of the Company. The non-audit services were mainly related to tax compliance services and agreed-upon procedures to verify compliance of financial covenants by certain subsidiaries of the Group.

KPMG also, pursuant to the Company's policy on non-audit services, had undertaken the necessary measures to ensure that each non-audit service engagement would not result in conflict of interest nor impair their independence and objectivity. Management had also ensured that necessary safeguards were in place when engaging KPMG to carry out non-audit services for the Group. With the measures taken by KPMG and Management, the BAC was satisfied that the non-audit services provided during FY2025 complied with the applicable rules and standards of independence for auditors, as well as the provisions stipulated in the non-audit services policy.

KPMG had provided a written assurance to the BAC that they had implemented a number of firm wide ethics and independence systems to monitor compliance with their policies in relation to independence and ethics and had been independent throughout the audit engagement for FY2025.

(iii) Internal Audit (IA)

During the year 2025, the BAC had carried out the following:

(a) Reviewed and approved the Annual IA Plan for FY2026 to ensure adequacy of audit scope, coverage, budget, resources and authority for Group Internal Audit (GIA) to carry out its work effectively and independently;

(b) Reviewed and deliberated on the IA reports tabled during the year by GIA, which highlighted key control issues together with audit recommendations for improvement and Management's action plans to address the control deficiencies;

(c) Reviewed and deliberated on the follow-up audit reports tabled during the year by GIA on the adequacy and effectiveness of the action plans or corrective actions undertaken by Management in addressing audit issues or control deficiencies highlighted from past audit reports to ensure non recurrence;

(d) Reviewed and deliberated on the results from ad-hoc special review assignments or audit investigations performed by GIA based on the Board and Management's request or complaints received through whistleblowing channels and recommended appropriate remedial actions/measures to be taken;

(e) Reviewed and monitored the progress and status of action plans or corrective actions undertaken by Management to ensure audit issues or control deficiencies highlighted by GIA are being addressed and rectified in a timely manner;

(f) Reviewed and recommended the revision of the Company's IA Charter for the Board's approval, to ensure that the Charter remains current and aligned with the International Professional Practices Framework and latest Global Internal Audit Standards.

(g) Reviewed and assessed the effectiveness and performance of the IA function in respect of audit quality, scope, adequacy of resources and competency; and

(h) Held two (2) private sessions with the Chief Internal Auditor without the presence of the Management to ensure that there was no restriction on GIA's scope of work and to discuss any other matters that GIA wishes to escalate to the BAC.

(iv) Related Party Transactions (RPTs)

The BAC had reviewed and recommended related party transactions (RPTs) and recurrent related party transactions (RRPTs) entered into with the Company's related parties in accordance with the policies and procedures of the Company, for the Board's approval, to ensure that the transactions were fair and reasonable, undertaken in the Company's best interest and on normal commercial terms as well as not detrimental to the interest of the minority shareholders.

The Group's RPTs and RRPTs for the preceding 12 months up to each reporting quarter as well as the forecasted RPTs and RRPTs for the next 12 months period from the quarterly reporting period were also reported to the BAC and the Board on a quarterly basis. The reporting of these transactions by the Group was coordinated through the Corporate Secretarial Department with all the respective subsidiaries, departments and business units within the Group, before the same were collated and presented to the BAC and the Board. The threshold limits of the RPTs and RRPTs were also monitored accordingly to ensure compliance with the MMLR.

The GIA also assists the BAC by conducting reviews of the Group's RPTs and RRPTs to provide assurance that the transactions reported to the BAC were accurate, complete, in compliance with the MMLR and undertaken on arm's length basis and on normal commercial terms.

INTERNAL AUDIT FUNCTION

The GIA was established to support the Board through the BAC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation.

The IA function is considered an integral part of the assurance framework and GIA's purpose is to strengthen the Company's ability to create, protect and sustain value by providing the Board, BAC and Management with independent, risk based, and objective assurance, advice, insight and foresight. At the same time, GIA also assists the BAC and Management to achieve the Company's goals by bringing an objective and disciplined approach in evaluating and improving the effectiveness of governance, risk management, and internal control processes within the Group. This function serves as an important source of support for the BAC in identifying weaknesses or deficiencies in internal processes and to facilitate appropriate remedial measures to be taken by the Company.

The purpose, mandate, authority, independence, organisation position, responsibility and objectivity of GIA are formally defined in the IA Charter, as approved by the Board, which establishes the framework for the effective and efficient functioning of GIA. The standards and practices adopted by GIA are aligned to the International Professional Practices Framework issued by the Institute of Internal Auditors.

GIA has an independent status within the Group and is independent of the activities and functions that it audits. GIA reports directly and functionally to the BAC and administratively to the GCEO. The BAC also reviews and approves the appointment and removal of the Chief Internal Auditor, performance evaluation, Annual IA Plan, budget and organisational structure of GIA to ensure that it is adequately resourced with competent staff to perform its role and function effectively and independently.

Amongst the roles and responsibilities of GIA are as follows:

(a) Provides independent and objective assessment and assurance to the Board, BAC and Management on the adequacy and effectiveness of governance, risk management, and internal control processes of the organisation;

(b) Develop risk based Annual IA Plan that is aligned to the Company's strategic objectives and takes into consideration of past audit history, criticality, inputs and feedback on any risk and control concerns from the BAC and Management;

(c) Carry out IA assignments in accordance with the approved Annual IA Plan and report to the BAC on key control issues together with audit recommendations for improvement, Management's responses and agreed action plans to address the control deficiencies;

(d) Perform follow-up audits to determine whether the agreed action plans or corrective actions undertaken by Management in addressing audit issues or control deficiencies highlighted from past audit reports have been correctly implemented and adhered to consistently;

(e) Undertake ad-hoc IA assignments, special reviews or audit investigations as requested by the Board or Management and present the results to the BAC and Management;

(f) Monitor the progress of Management's agreed action plans or corrective actions in addressing audit issues or control deficiencies highlighted by GIA; and

(g) Maintain professional audit staff with sufficient knowledge, experience and skills.

In addition, GIA is also responsible for the administration and implementation of the Group's Whistleblowing Policy which provides an avenue for employees and third parties dealing with the Company to disclose cases of improper conduct such as criminal offences, fraud, corruption, non-compliance to laws and regulations, breach of policies and procedures or other malpractices to the Company. Any disclosure of improper conduct can be made verbally or in writing to the Chairman of the BAC and Chief Internal Auditor via letter or e-mail to whistleblowing@malakoff.com.my.

For FY2025, GIA had performed ten (10) audits which include full audits, follow-up audits, special review assignments and investigation covering the areas of operation, asset management, procurement, manpower management, and health, safety, security and environment.

The IA reports were tabled and presented to the BAC for deliberation, highlighting key control issues together with audit recommendations for improvement, Management's responses and agreed action plans to be implemented. The progress of these action plans is monitored by GIA and reported to the BAC on a quarterly basis.

As at 31 December 2025, the total number of personnel in GIA was eight (8) including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 43 of the Integrated Annual Report 2025.

The GIA has a sufficient mix of internal auditors with various knowledge, skills and competencies to perform its function and GIA is committed to equip its auditors with adequate knowledge and proficiencies to discharge their duties and responsibilities effectively. The Company is also a corporate member of the Institute of Internal Auditors Malaysia, which enables the internal auditors in GIA to keep abreast of the latest developments in the IA practices and attend relevant trainings organised by the Institute of Internal Auditors Malaysia. The total cost incurred by GIA for FY2025 was RM2.3 million.

This BAC Report is made in accordance with the resolution of the Board duly passed on 16 March 2026.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (RRPT)

Malakoff Corporation Berhad (Malakoff or the Company) had at its 19th Annual General Meeting (AGM) held on 29 April 2025 obtained the shareholders' mandate to allow Malakoff Group to enter into RRPT with related parties that are necessary for the day-to-day operations of the Group. The RRPT mandate is valid until the conclusion of the forthcoming 20th AGM of the Company.

In accordance with Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the details of the RRPT conducted during the financial year ended 31 December 2025 pursuant to the said shareholders' mandate are as follows:

No.	Malakoff and/ or its subsidiary companies	Transacting related parties	Nature of relationship	Nature of transactions	Value of transaction from 1 January 2025 to 31 December 2025 (RM'000)
			Expenses to Malakoff Group		
1	Alam Flora Sdn. Bhd. (Alam Flora) Group	DRB-HICOM Berhad (DRB) Group	DRB is a 55.92%-owned subsidiary of Etika Strategi Sdn. Bhd. (ESSB), a company in which Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor (TSSM) is a major shareholder	Provision of motor vehicle maintenance services by DRB Group	1,413
				Supply of scrap materials/any assets (i.e. bins, automotive, scrap loose ferrous, etc) by DRB Group	4,960
				Payment of utilities and logistics cost and/or miscellaneous expenses to DRB Group	103
				Payment of rental services (i.e. buildings, building service charges, motor vehicle, etc) to DRB Group	3,085
				Purchase of machineries, motor vehicles and bins	71,831
2	Alam Flora Group	MMC Corporation Berhad (MMC) Group	MMC is a major shareholder of Malakoff	Payment of utilities cost and/ or miscellaneous expenses to MMC Group	740
				Supply of scrap materials/any assets by MMC Group	357
				Total	**82,489**
			Revenue to Malakoff Group		
3	Tuah Utama Sdn. Bhd. (TUSB) Group	Syed Kechik Holdings Group	Puan Sri Sharifah Zarah binti Syed Kechik, the spouse of TSSM, is a major shareholder of Syed Kechik Holdings Group	Development of rooftop solar photovoltaic project at premises within Syed Kechik Holdings Group	100
4	TUSB Group	MMC Group	MMC is a major shareholder of Malakoff	Development of rooftop solar photovoltaic project at premises within MMC Group	1,498
5	TUSB Group	DRB Group	DRB is a 55.92%-owned subsidiary of ESSB, a company in which TSSM is a major shareholder	Development of rooftop solar photovoltaic project at premises within DRB Group	2,844
6	TUSB Group	Tradewinds Group	Tradewinds is a wholly-owned subsidiary of Tradewinds Group (M) Sdn. Bhd., a company in which TSSM is an indirect major shareholder;	Development of rooftop solar photovoltaic project at premises within Tradewinds Group	-
7	TUSB Group	Padiberas Group	Padiberas is a wholly-owned subsidiary of Tradewinds Group (M) Sdn. Bhd., a company in which TSSM is an indirect major shareholder;	Development of rooftop solar photovoltaic project at premises within Padiberas Group	-
8	Alam Flora Group	DRB Group	DRB is a 55.92%-owned subsidiary of ESSB, a company in which TSSM is a major shareholder	Provision of building maintenance services to DRB Group	10,145
				Provision of all kinds of services related to cleaning, collection and cleansing to DRB Group	1,005
9	Alam Flora Group	MMC Group	MMC is a major shareholder of Malakoff	Provision of all kinds of services related to cleaning, collection, cleansing and landscaping to MMC Group	3,738
				Provision of building maintenance services to MMC Group	138
				Total	**19,468**

Notwithstanding the related party disclosures already presented in the audited financial statements in accordance with Malaysian Financial Reporting Standards 124, Related Party Disclosures (MFRS 124), the above disclosures are made in order to comply with Paragraph 10.09 of the MMLR with regard to the value of RRPT conducted in accordance with the shareholders' mandate during the financial year, as the scope of related party relationships and disclosures contemplated by the MMLR are, to a certain extent, different from those of MFRS 124.

The shareholdings of the respective interested major shareholders as shown above are based on information disclosed in the Circular to Shareholders dated 28 March 2025 in relation to the proposed shareholders' mandate for RRPT.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") of Malakoff Corporation Berhad is committed to maintaining an effective risk management and internal control system at Malakoff Corporation Berhad and its subsidiaries ("Group").

The Statement on Risk Management and Internal Control is made in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the revised guidelines on the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This is also in line with the Malaysian Code on Corporate Governance ("MCCG") 2021, which requires public listed companies to maintain a sound system of risk management and internal controls to provide assurance and safeguard shareholders' investments, customers' interests and company's assets.

MANAGEMENT'S AND BOARD'S RESPONSIBILITY

The Management is accountable to the Board to ensure effective implementation of risk management and internal controls. The Management formulates and oversees the risk management policy, frameworks and guidelines, including their implementation across the Group. The risks are reviewed and actions to mitigate the identified risks are then recommended. The Management also assigns accountabilities and responsibilities at appropriate levels within the Group as well as ensuring that all the necessary resources are allocated to manage those risks.

The Board is responsible for the overall tone and culture towards an effective risk management and internal control system in the Group. The Board is also responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control processes. The Group's risk management process is designed such that all key risk areas are effectively managed to enable the Group to achieve its business objectives. The Board is aware that the risk management and internal control systems can only provide reasonable and not absolute assurance against the risk of material loss or the occurrence of unforeseeable circumstances.

MANAGING RISK

The Board acknowledges that risk management is fundamental in protecting and safeguarding the interests of the Group and its shareholders to ensure sustainable growth to the Group. The Group's risk management process is guided by the Enterprise Risk Management Policy and Framework ("ERMPF") and ISO 31000:2018 Risk Management Guidelines.

The Board Risk and Investment Committee ("BRIC") oversees the Group's risk oversight responsibilities and the overall risk management across the Group. At the management level, the Management Risk Committee ("MRC") supports the BRIC in integrating risk management strategies as well as reviewing the application of risk management process across Malakoff Corporation Berhad, in accordance with the ERMPF. At the operational level, risks are managed at the respective power plants through the Plant Risk Committee ("PRC"). The ERMPF has been revised in 2020 to reflect the changes from the updated version of ISO 31000:2018 Risk Management Guidelines.

The risk management process can be summarised below:

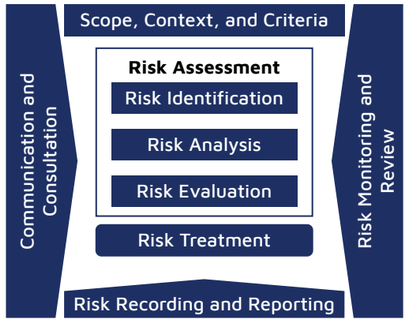


Figure 1: Risk Management Process

The Group defines risk as event or uncertainty that could affect the achievement of its objectives. It is measured by the likelihood of the risk occurring and the impact if the risk occurs. The ERMPF ensures that the risk assessment process of identifying, analysing, evaluating, treating and mitigating risks is in place to protect the Group from material losses. It will assist the Group in making decisions and prioritising the implementation of the risk mitigation plan.

The risk matrix below depicts the likelihood and impact parameters used to measure and assess the Group's risk level:

Impact / Likelihood	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	6	7	8	9	10
Likely	5	6	7	8	9
Possible	4	5	6	7	8
Unlikely	3	4	5	6	7
Rare	2	3	4	5	6

Figure 2: Risk Matrix

Risk Management Process

A Corporate Digital Assurance module is used in the Enterprise Risk Management System ("ERMS") to enhance the Group's risk management implementation. The scorecard owners, risk owners, control owners and action plan owners are required to provide assurances with respect to the status of all material risks, controls and management actions on a quarterly basis.

The assurances serve as proof that the owners have reviewed the registered controls and updated the Corporate Risk Scorecard System with the status of all material risks, controls and management actions.

In relation to the risk management process, the owners also certify that:

The risks, controls and management actions information within the Corporate Risk Scorecard are accurate and up-to-date. »

Where exposure is considered acceptable, they have documented and validated that the controls are in place and effective. »

Where risks are assessed as unacceptable, management actions have been identified, including the owners and due dates to address the risks. »

To the extent that risks are perceived to be not within their control (either directly or as delegated to the immediate Management team), it will be documented and escalated to the appropriate level of Management within the Group.

In addition, the owners also confirm that the risk management process has been complied with and the information for which they are responsible for under the Corporate Risk Scorecard fairly reflects the position of the Group.

Risk Governance

On a quarterly basis, the identified risks are presented and deliberated at the MRC meeting chaired by the Group Chief Executive Officer ("GCEO"). The report is subsequently tabled to the BRIC for deliberation and recommendations to the Board. The Board notes the report on the risks and the actions taken by the Management to mitigate the risks. The overview of the Group's risk reporting structure is set out below:



Figure 3: Risk Governance

Risk management is integrated into the Group's day-to-day business activities, while risk-based evaluation is incorporated into its decision-making process. This demonstrates the emphasis placed by the Board on the risk management agenda and underlines the importance of a well-managed risk management program. In line with this, the MRC continues to reinforce risk management importance among employees to ensure continuous improvement at all levels.

Emerging Risks

Based on The Global Risks Report 2025 published by World Economic Forum, issues like misinformation and disinformation, and Extreme weather events have triggered organisations to strategise and put more emphasis on these topics. In view of this, the risks related to these issues have been deliberated in the risk management process through the MRC and BRIC. In addition to this, the Group has implemented several measures in line with the ERMPF regarding its operations which can be summarised as follows:

- Monitoring of information and operational technology system, cybersecurity and threat.
- Monitoring of ESG issues by Management Sustainability Committee, BRIC and Board.

Sustainability

Sustainability is one of the key elements of the Group's strategy. It is embedded in the Group's transformation journey under the Malakoff Strategic Transformation plan. The Group introduced the Sustainability Framework in 2022 premised on the ESG pillars and the United Nation's Sustainable Development Goals (UN SDG) framework to facilitate the transition of the Group to a cleaner and lower carbon energy mix organisation. By integrating sustainability across all the Group's business pillars, Malakoff undertakes to ensure long term value creation whilst addressing global sustainability challenges. The introduction of Malakoff's Sustainability Framework as part of the Malakoff Strategic Transformation plan emphasises the Group's commitment to sustainability. This serves as a key fundamental in its pursuit of long-term environmental and social impact in accordance with the ESG pillars and UN SDG:

Environment

Broadly focusing on Climate Change, Circular Economy and Water Security, among others in addition to the following UN SDG:

Social

Broadly focusing on Diversity, Health, Safety, Security & Environment (HSSE) as well as Corporate Social Responsibility (CSR), among others in addition to these UN SDG:

Governance

Broadly focusing on Corporate Governance, Risk Management and Compliance & Integrity, among others, on top of the following UN SDG:

Building on this structured framework, the Group maintains strong oversight of sustainability and climate-related risks and opportunities, ensuring that appropriate strategies, controls and management actions are in place to safeguard long-term value.

Anti-Bribery and Anti-Corruption Assurance

The Group has zero tolerance towards bribery and corruption and has accordingly put in place the ISO 37001:2016 Anti-Bribery Management System ("ABMS") to ensure that risks related to bribery and corruption are systematically managed.

The objective of the system is to assist the Group in mitigating the risks of involvement in bribery whilst promoting trust and confidence in business dealings, as well as enhancing integrity among all employees. The Group's ABMS has been audited and certified to ISO 37001:2016 by SIRIM QAS International Sdn Bhd since 2020. One of the key components in the system is the development of the bribery risk register to evaluate the adequacy and effectiveness of the Group's current controls to mitigate bribery issues. Amongst the controls that have been established are the Whistleblowing Policy, Group Code of Conduct and Limits of Authority.

The Group has established a structure which details the roles and responsibilities under the ABMS framework as described in figure 4 below. In addition to this, all employees within the Group are required to understand and comply with the ABMS requirements at all times.

Our ABMS also serves as part of compliance to Adequate Procedure requirements under Section 17A of Malaysian Anti-Corruption Commission Act 2009 as stipulated in MACC Act (Amendment) 2018.

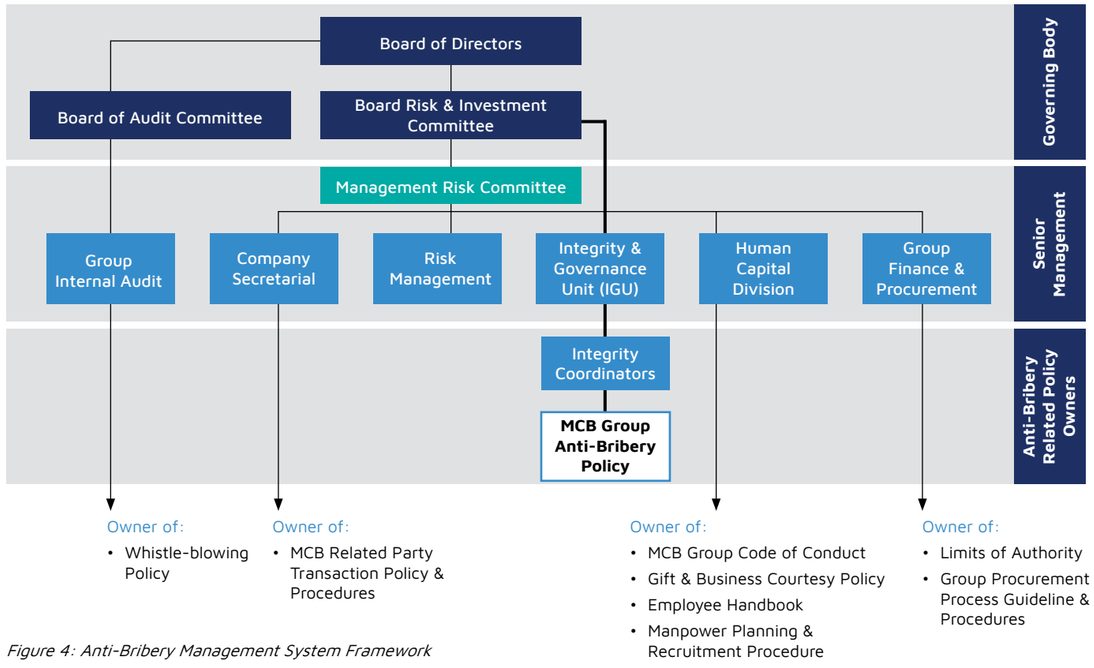


Figure 4: Anti-Bribery Management System Framework

INTERNAL CONTROL SYSTEM

The key features of the Group's control structure that provide reasonable assurance against the occurrence of events that could prevent the achievement of business objectives are as follows:

The Board

The Board of Malakoff Corporation Berhad provides direction and oversight on internal controls. The terms of reference and responsibilities are defined together with the Board Charter. The specific lines of responsibility, accountability and delegation of authority as approved by the Board to facilitate the Group's operations are the obligations of the GCEO and MRC.

Business Plan, Budget and Reporting

Malakoff Corporation Berhad develops annual business plans and budgets prepared by the Management and approved by the Board before the commencement of the new financial year.

The Board reviews the actual results against budget on a quarterly basis in conjunction with the public announcement of the Group's quarterly financial results under the Main Market Listing Requirements of Bursa Securities.

The Board is also updated with the latest sustainability trends, progress of the Group's ESG roadmap, key sustainability achievements and new developments within the sustainability space, covering material risks and opportunities, through the annual integrated reporting which covers the Group's compliance with the National Sustainability Reporting Framework and the adoption of the standards under the International Sustainability Standards Board (ISSB). For the financial reporting year ended 2025, the Group is introducing snippets of the General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) with focus on Climate-related Disclosures (IFRS S2), as Malaysia's baseline for sustainability disclosures, along with related assurance requirements for company reporting.

Management Sustainability Committee

The Group has also established the Management Sustainability Committee (MSC) to oversee, review and implement matters in relation to the Company's ESG strategy and initiatives, and embedding sustainability practices within the Malakoff Group. Established in 2022, the MSC is chaired by the GCEO. Its role is to oversee, evaluate, and resolve matters related to the Malakoff Group's sustainability strategy and ESG initiatives, supporting the Board in fulfilling its statutory and fiduciary duties under the Bursa Malaysia's main market listing requirements and other relevant regulatory compliance in relation to sustainability matters. The Board, MSC, and BRIC provided structured oversight to ensure proactive risk mitigation strategies were implemented.

Policies and Procedures

Documented internal policies and procedures are in place to ensure compliance with internal controls and the relevant rules and regulations. They are reviewed regularly to ensure that any gaps in controls are addressed and where required, policies and procedures are revised to align with the prevailing business conditions.

Limits of Authority

The Limits of Authority set out the level of authority under key business areas (financial and non-financial) of the Group. The authority limits in respect of organisational requirements such as procuring goods and services, cash transactions and contracting are clearly defined and documented. The limits are reviewed and updated regularly to reflect the current business environment, operational and structural changes, if any, of the Group.

Internal Audit

The Group Internal Audit ("GIA") provides independent, risk based and objective assurance to the Board, Board Audit Committee ("BAC") and Management on the adequacy and effectiveness of governance, risk management and control processes of the organization with the purpose of strengthening the Group's ability to create, protect, and sustain value. This function serves as an important source of support for the BAC in identifying weaknesses or deficiencies in internal processes and facilitating appropriate remedial measures to be taken by the Group.

GIA reports directly and functionally to the BAC and administratively to the GCEO. GIA is independent from the functions and activities that it audits and performs its duties in accordance with the Internal Audit Charter of the organization and International Professional Practices Framework by the Institute of Internal Auditors.

Details of the internal audit function and activities are presented in the BAC Report on pages 273 to 279 of this Annual Report.

Whistleblowing

The Group's Whistleblowing Policy sets out avenues for employees and third parties dealing with the Group with proper procedures to disclose cases of improper conduct such as criminal offences, fraud, corruption, breach of Group policies and Code of Conduct, or other malpractices.

A whistleblower is assured confidentiality of identity to the extent reasonably practicable. This includes protecting the whistleblowers from detrimental actions within the Group that may result from the disclosure of improper conduct, provided that the disclosure is made in good faith.

The Whistleblowing Policy is also to ensure that fair treatment is provided to both the whistleblower and the alleged wrongdoer when a disclosure of improper conduct is made.

Disclosure of improper conduct can be made verbally or in writing to the Chairman of the BAC and the Chief Internal Auditor via letter or e-mail to whistleblowing@malakoff.com.my.

Anti-Bribery and Anti-Corruption Policy

The 'Anti-Bribery Policy' was initially approved and adopted on 3 October 2019. Subsequently, the policy underwent a review and revision to include the term 'Anti-Corruption,' resulting in the updated policy named 'Anti-Bribery and Anti-Corruption Policy.' This revised policy was approved on 28 August 2023 to align with the requirements of ISO 37001:2016.

The implementation of the policy will further strengthen the Group's corporate governance and ensure commitment from all stakeholders to uphold the highest standards of ethical conduct, integrity and accountability in all business activities and operations of the Group. This is also in line with Section 17A of the MACC Act 2018 ("the Act"), which requires commercial organisations to establish adequate procedures to avert corruption.

Joint Ventures and Associates

The internal control and risk management practices of the Group's joint ventures and associates are excluded from this Statement, as Malakoff Corporation Berhad does not exercise direct control over their operations. Nevertheless, the Group monitors the performance of these investments, including through strategic appointments to their respective Boards. This facilitates the review of management accounts and periodic performance reports, providing the Board with visibility on key developments and enabling it to consider matters relating to the long-term viability of these investments.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM EFFECTIVENESS

The Board reviews the effectiveness of the risk management and internal control system through the following monitoring and assessment mechanisms:

- A quarterly review of the Group's actual financial and operational performance against planned performance and other key financial and operational performance indicators.

- Risk, Process Improvement & Integrity Department presents the Risk Management Report to BRIC every quarter to provide an overview of the Group's key risks and action plans for mitigating the risks. The BRIC provides its views, which are then communicated to the respective risk owners by the Risk, Process Improvement & Integrity Department. The report is then escalated to the Board upon deliberation by BRIC.

- BAC deliberates and discusses reports issued by the Group Internal Audit and external auditors pertaining to financial, operational, governance, risk management and internal control matters. The status of preventive and corrective actions for issues discussed is also updated in BAC to enable monitoring of the actions.

COMMENTARY ON ADEQUACY AND EFFECTIVENESS

The risk management and internal controls defined above have been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report.

In making this statement, the Board had received assurance from the GCEO, Chief Financial Officer, Head of Risk, Process Improvement & Integrity Department and Group Internal Audit that the risk management and internal control processes are operating adequately and effectively in all material aspects for the reporting period.

The Board is of the opinion that risk management and internal control are adequate and effective in providing reasonable assurance for the year under review.

There was no major internal control weakness identified during the year under review that may result in any material loss that would require disclosure in this statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2025, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

a. has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or

b. is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board and Management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This statement is made in accordance with the resolution of the Board dated 16 March 2026.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

Islamic Medium-Term Notes (IMTN) programme with a nominal value of up to RM1.2 billion, which, when combined with an Islamic Commercial Papers (ICP) programme, has a combined issuance limit of up to RM1.2 billion under the Shariah principle of Murabahah (ASEAN Sustainability SRI Sukuk Murabahah Programme).

(i) On 17 February 2025, Malakoff Power Berhad (MPB) issued an IMTN of RM250 million of which the proceeds from the issuance have been utilised to finance eligible projects set out in the Sustainable Finance Framework, including renewable energy and environmental solutions projects.

(ii) Subsequently, MPB has undertaken a further issuance of IMTN amounting to RM450.0 million, which is expected to be completed in the first half of 2026. The proceeds from the issuance will be utilised to finance eligible projects in accordance with the Sustainable Finance Framework, including renewable energy and energy transition projects.

AUDIT FEES AND NON-AUDIT FEES

The fees paid/payable to the external auditor in relation to the audit and non-audit services to the Group and the Company for the financial year ended 31 December 2025 are as follows:

	Group 2025 RM'000	Company 2025 RM'000
Audit fees	1,438	279
Non-audit fees	900	223

MATERIAL CONTRACTS

a) Concession Agreement dated 19 June 2025 between Sg. Udang WTE Sdn. Bhd. (formerly known as Southern Biogas Sdn. Bhd.), the Government of Malaysia (represented by the Ministry of Housing and Local Government) and Solid Waste and Public Cleansing Management Corporation (Concession Agreement)

On 19 June 2025, Sg. Udang WTE Sdn. Bhd. (formerly known as Southern Biogas Sdn. Bhd.) (SUWTE or Concession Company) entered into a Concession Agreement on a Public Private Partnership basis with the Government of Malaysia, represented by the Ministry of Housing and Local Government (Government) and Solid Waste and Public Cleansing Management Corporation (Corporation) for the design, construction, finance, operation, maintenance and closure of a Waste-to-Energy plant at Sg. Udang, Melaka (WTE Facility or Project).

The Concession Company is a single-purpose joint venture company incorporated for the Project, with Malakoff Corporation Berhad (MCB) holding 60% of the shares and Alam Flora Environmental Solutions Sdn. Bhd. (AFES) holding the remaining 40%. AFES is a wholly-owned subsidiary of Alam Flora Sdn. Bhd., which is in turn 97.37% owned by MCB.

The WTE Facility will process up to 1,056 tonnes of municipal solid waste per day and generate approximately 22 MW of gross renewable energy under a Power Purchase Agreement (PPA) to be entered into between Tenaga Nasional Berhad (TNB) and the Concession Company.

SUWTE is in the process of fulfilling the conditions precedent under the Concession Agreement.

ADDITIONAL COMPLIANCE INFORMATION

b) Power Purchase Agreement dated 3 October 2025 between Malakoff Evergreen Sdn. Bhd. and Syarikat SESCO Berhad for a 100 MW solar photovoltaic plant project in Bintulu, Sarawak

On 3 October 2025, Malakoff Evergreen Sdn. Bhd (MEVSB), a SPV Company is jointly owned by Tuah Utama Sdn. Bhd. (TUSB) and EE Solar Sdn. Bhd. (EESSB) with shareholdings of 70% and 30%, respectively entered into a 30-year PPA with Syarikat Sesco Berhad. MEVSB will design, construct, own, operate and maintain a 100 MW solar photovoltaic energy generating facility at Bintulu, Sarawak.

MEVSB is in the process of fulfilling the conditions precedent under the PPA.

c) Reservation Agreement dated 10 October 2025 between Malakoff Corporation Berhad and Mitsubishi Power, Ltd in relation to the reservation of major power plant equipment

On 10 October 2025, Malakoff Corporation Berhad (MCB) entered into a Reservation Agreement (1st RA) with Mitsubishi Power, Ltd. (MPW) for the reservation of two (2) sets of M701JAC gas turbines and gas turbine generators (collectively, the 1st Plant Equipment). The 1st Plant Equipment is intended for use in a new 1,400 MW gas-fired power plant development in the southern region of Peninsular Malaysia (Project).

The 1st RA grants MCB the right to reserve manufacturing and delivery slots for the 1st Plant Equipment prior to finalising the engineering, procurement, construction and commissioning (EPCC) contract for the Project, contingent upon the execution of a definitive supply agreement in accordance with the terms of the 1st RA. The execution of the 1st RA enables MCB to secure the supply of the 1st Plant Equipment in advance, thereby mitigating supply chain and scheduling risks and enhancing the likelihood of timely execution of the Project.

Additionally, the 1st RA also grants MCB the right to reserve two (2) additional gas turbines and gas turbine generators, for deployment in another 1,400 MW combined cycle power plant project to be undertaken by MCB in the northern region of Peninsular Malaysia.

d) Power Purchase Agreement dated 17 December 2025 between Malakoff Silver Solar Sdn. Bhd. and Tenaga Nasional Berhad for a 470 MW solar photovoltaic plant project in Perak Darul Ridzuan

On 17 December 2025, Malakoff Silver Solar Sdn. Bhd. (MSSSB), a 80%-owned subsidiary of Malakoff Corporation Berhad entered into a PPA with Tenaga Nasional Berhad (TNB).

MSSSB will design, construct, own, operate, and maintain a 470 MW solar photovoltaic energy generating facility located at Windsor Estate in Larut and Matang, Perak Darul Ridzuan (Facility), and will generate, deliver and sell solar photovoltaic energy to TNB throughout the term of the PPA.

The PPA governs the obligations of the parties to sell and purchase energy generated by the Facility for a twenty-one (21)-year term commencing from the scheduled commercial operation date, expected in the first quarter of 2028, in accordance with the terms and conditions stipulated therein.

MSSSB is in the process of fulfilling the conditions precedent under the PPA.



Powering Malaysia with responsibility: With a PPA secured until 2031, Tanjung Bin Power Plant reinforces Malakoff's commitment to reliable energy delivery, environmental integrity and biodiversity awareness.

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors are pleased to submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Equity holders of the Company	96,060	72,859
Non-controlling interests	35,434	-
	131,494	72,859

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

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

i) a final dividend of 2.17 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM106,047,060 in respect of the financial year ended 31 December 2024 on 29 May 2025.

ii) an interim dividend of 1.50 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM73,304,420 in respect of the financial year ended 31 December 2025 on 27 October 2025.

Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 0.86 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totalling RM42,027,867 in respect of the financial year ended 31 December 2025.

The final dividend will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial year ending 31 December 2026.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Tan Sri Wan Zulkiflee bin Wan Ariffin (Appointed as Chairman on 1 March 2026)
Datuk Rozimi bin Remeli
Dato' Mohd Naim bin Daruwish
Dr. Norida binti Abdul Rahman
Datuk Prakash Chandran Madhu Sudanan
Datuk Wira Roslan bin Ab Rahman
Lim Tau Kien
Dato' Mohamad Razif bin Haji Abd Mubin (Appointed on 11 March 2025)
Dato' Mohd Nazrul Izam bin Mansor (Appointed on 12 March 2026)
Tan Sri Che Khalib bin Mohamad Noh (Resigned on 1 March 2026)
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali (Resigned on 1 January 2025)
Anwar Syahrin bin Abdul Ajib (Resigned on 1 September 2025)

DIRECTORS OF THE SUBSIDIARIES

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report:

Syahrunizam bin Samsudin (Appointed on 1 September 2025)
Mohd Nazersham bin Mansor
Yap Leng Khim
Mohamad Lutfi bin Samsudin
Saiful Azlan bin Mahmud
Shajaratuddur bin Mohd Ibrahim
Dato' Mohamad bin Saif @ Saib
Tan Sri Abu Kassim bin Mohamed
Dato' Sri Mohd Zakaria bin Ahmad
Harun bin Halim Rasip
Ahmad Afzainizam bin Mokhtar
Siti Norbaya binti Dinyati
Nagulusamy Rajendran
James Philips Morsen
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir
Dato' Farisah binti Mohd Farid
Norzihan bin Mohamad
Lt Gen Dato' Sri Wan Normazlan bin Che Jaafar
Dato' Zainuddin bin Yahya
Dato' Abd Rashid bin Jabir
Noorihan binti Ali Yusoff
Lionel Fok Whye Sern
Mohd Kopli bin Yunus
Sanny bin Abu Bakar
Mazuin Ima binti Salamat
Shahrir bin Haji Abdul Latiff
Aimi Aizal bin Nasharuddin

DIRECTORS OF THE SUBSIDIARIES (CONTINUED)

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report (continued):

Tan Sri Dato' Sri (Dr.) Mohamad Norza bin Zakaria
Nurshazwani binti Abd Malek
Ahmad Zaki bin Abdullah (Appointed on 20 March 2025)
Azman Hanafi bin Abdullah (Appointed on 20 March 2025)
Tan Qi Jie (Appointed on 18 September 2025)
Datuk Ting Sie Ping (Appointed on 30 September 2025)
Datuk Mohamad Danel Bujang Bin Abong (Appointed on 30 September 2025)
Mohamad Muhazni bin Mukhtar (Appointed on 22 October 2025)
Shariman Yusuf bin Mohamed Zain (Appointed on 22 October 2025)
Tengku Ierasulkhaier Putra bin Tengku Alaudin (Resigned on 3 January 2025)
Mohd Helmy bin Ibrahim (Resigned on 28 February 2025)
Datuk Idris bin Abdullah (Resigned on 9 June 2025)
Subrina Thiagarajah (Resigned on 10 November 2025)

DIRECTORS' INTERESTS IN SHARES

The interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
Direct interests in the Company:				
Tan Sri Che Khalib bin Mohamad Noh	420,000	-	-	420,000

None of the other Directors holding office at 31 December 2025 had any interest in the shares of the Company and of its related corporations during the financial year.

The interests in the shares of the Company and of its related corporations of those who were Directors of the subsidiaries of the Company at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
Direct interests in the Company:				
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir	150,000	-	-	150,000
Mohd Nazersham bin Mansor	16,000	-	-	16,000
Mohamad Lutfi bin Samsudin	38,000	-	-	38,000
Saiful Azlan bin Mahmud	32,900	-	-	32,900
Shajaratuddur bin Mohd Ibrahim	26,000	-	-	26,000

None of the other Directors of the subsidiaries holding office at 31 December 2025 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2025 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Salary, bonus and defined contribution	1,901	-
Fees	1,095	-
Meeting allowances	437	19
Other allowances	259	-
Other remuneration	455	120
Estimated money value of benefits-in-kind	120	-
	4,267	139

There was no arrangement during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

ISSUE OF SHARES

There was no change in the issued and paid-up capital of the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

The total amount of insurance costs effected for Directors and Officers of the Group during the financial year is RM85,600.

There was no indemnity given to or insurance effected for the auditors of the Company.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or in the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for the compensation from insurance claims amounting to RM136,871,000 of the Group, impairment loss on investments in subsidiaries amounting to RM29,034,000 and impairment loss on investments in associates amounting to RM31,771,000 of the Company as disclosed in Note 29 to the financial statements, the financial performance of the Group and of the Company for the financial year ended 31 December 2025 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SIGNIFICANT AND SUBSEQUENT EVENTS

Significant and subsequent events during the year are disclosed in Notes 39 and 40 to the financial statements.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remunerations of the Group and of the Company during the year are as follows:

	Group RM'000	Company RM'000
Auditors' remunerations:		
Audit fees		
- KPMG PLT	1,284	279
- Overseas affiliates of KPMG PLT	137	-
- Other audit firms	17	-
Non-audit fees		
- KPMG PLT	212	188
- Local affiliate of KPMG PLT	35	35
- Other audit firms	653	-

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Tan Sri Wan Zulkiflee bin Wan Ariffin
Chairman

.....
Lim Tau Kien
Director

Kuala Lumpur

16 March 2026

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Assets					
Property, plant and equipment	2	**9,991,872**	10,136,491	**25,279**	23,232
Right-of-use assets	3	**110,270**	106,947	**11,218**	15,856
Investment properties	4	**16,300**	16,300	**-**	-
Concession assets	5	**234,531**	113,203	**-**	-
Intangible assets	6	**1,723,128**	1,978,993	**-**	-
Investments in subsidiaries	7	**-**	-	**6,473,065**	6,424,211
Investments in associates	8	**712,316**	593,388	**183,582**	215,353
Investments in joint ventures	9	**708,583**	709,111	**-**	21,515
Trade and other receivables	11	**1,976**	5,829	**-**	-
Deferred tax assets	12	**328,517**	287,982	**-**	-
Total non-current assets		**13,827,493**	13,948,244	**6,693,144**	6,700,167
Derivative financial assets	10	**-**	24,493	**-**	-
Trade and other receivables	11	**771,779**	1,536,173	**1,548,109**	1,374,633
Inventories	13	**992,073**	1,037,529	**-**	-
Current tax assets		**79,645**	173,653	**1,751**	9,447
Other investments	14	**593,848**	831,192	**2,484**	2,484
Cash and cash equivalents	15	**1,452,406**	1,375,368	**95,461**	93,624
Assets classified as held for sale	16	**-**	86,035	**-**	-
Total current assets		**3,889,751**	5,064,443	**1,647,805**	1,480,188
Total assets		**17,717,244**	19,012,687	**8,340,949**	8,180,355
Equity					
Share capital	17	**5,693,055**	5,693,055	**5,693,055**	5,693,055
Treasury shares	17	**(98,647)**	(98,647)	**(98,647)**	(98,647)
Reserves	17	**291,979**	316,054	**-**	-
(Accumulated losses)/Retained earnings		**(1,546,642)**	(1,404,914)	**1,444,086**	1,552,326
Equity attributable to owners of the Company		**4,339,745**	4,505,548	**7,038,494**	7,146,734
Perpetual sukuk	18	**800,000**	800,000	**-**	-
Non-controlling interests		**250,243**	238,289	**-**	-
Total equity		**5,389,988**	5,543,837	**7,038,494**	7,146,734

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Liabilities					
Loans and borrowings	19	**6,556,688**	7,016,119	**-**	-
Lease liabilities		**22,736**	16,646	**2,812**	7,623
Employee benefits	20	**94,011**	86,187	**14,515**	10,270
Provision for decommissioning costs	21	**276,605**	237,541	**-**	-
Provision for concession assets	22	**131,276**	180,151	**-**	-
Deferred income	23	**2,202,564**	2,401,935	**-**	-
Deferred tax liabilities	12	**816,022**	892,622	**1,310**	966
Total non-current liabilities		**10,099,902**	10,831,201	**18,637**	18,859
Trade and other payables	24	**1,101,750**	1,363,471	**1,245,609**	1,005,918
Current tax liabilities		**6,083**	5,697	-	**-**
Loans and borrowings	19	**786,889**	752,055	**32,442**	-
Lease liabilities		**13,772**	7,215	**4,811**	4,573
Provision for decommissioning costs	21	**-**	29,265	**-**	-
Provision for concession assets	22	**18,238**	132,353	**-**	-
Employee benefits	20	**7,775**	13,660	**956**	4,271
Deferred income	23	**292,847**	295,076	**-**	-
Liabilities classified as held for sale	16	**-**	38,857	**-**	-
Total current liabilities		**2,227,354**	2,637,649	**1,283,818**	1,014,762
Total liabilities		**12,327,256**	13,468,850	**1,302,455**	1,033,621
Total equity and liabilities		**17,717,244**	19,012,687	**8,340,949**	8,180,355

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Revenue	25	**7,209,335**	8,969,567	**194,641**	250,939
Cost of sales		**(6,508,652)**	(7,835,736)	**-**	-
Gross profit		**700,683**	1,133,831	**194,641**	250,939
Other income		**185,545**	159,364	**1,432**	15,643
Administrative expenses		**(245,899)**	(233,119)	**(78,807)**	(76,356)
Impairment loss on investments in subsidiaries	29	**-**	-	**(29,034)**	(137,105)
Net loss on impairment of investments in associates	29	**-**	(12,484)	**(31,771)**	-
Net reversal/(loss) on impairment of financial instruments	29	**120**	109	**228**	(663)
Other operating expenses		**(157,377)**	(263,522)	**-**	-
Results from operating activities		**483,072**	784,179	**56,689**	52,458
Finance income	26	**57,261**	68,449	**57,200**	51,373
Finance costs	27	**(460,814)**	(504,032)	**(36,859)**	(28,240)
Net finance (costs)/income		**(403,553)**	(435,583)	**20,341**	23,133
Share of profit of equity-accounted associates and joint ventures, net of tax		**96,211**	109,743	**-**	-
Profit before tax		**175,730**	458,339	**77,030**	75,591
Tax expense	28	**(44,236)**	(147,753)	**(4,171)**	(3,425)
Profit for the year	29	**131,494**	310,586	**72,859**	72,166
Other comprehensive expense, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit liabilities	30	**(3,237)**	(761)	**(1,748)**	(250)
Items that are or may be reclassified subsequently to profit or loss					
Cash flow hedge	30	**(238)**	(1,709)	**-**	-
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	**(5,908)**	(2,218)	**-**	-
Foreign currency translation differences for foreign operations	30	**(17,929)**	(14,247)	**-**	-
Other comprehensive expense for the year		**(27,312)**	(18,935)	**(1,748)**	(250)
Total comprehensive income for the year		**104,182**	291,651	**71,111**	71,916

The notes on pages 307 to 418 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Profit attributable to:					
Equity holders of the Company		**96,060**	268,686	**72,859**	72,166
Non-controlling interests		**35,434**	41,900	**-**	-
Profit for the year		**131,494**	310,586	**72,859**	72,166
Total comprehensive income attributable to:					
Equity holders of the Company		**68,748**	249,751	**71,111**	71,916
Non-controlling interests		**35,434**	41,900	**-**	-
Total comprehensive income for the year		**104,182**	291,651	**71,111**	71,916
Earnings per ordinary share (sen)					
Basic/Diluted	31	**0.84**	4.44		

The notes on pages 307 to 418 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

Group	Note	Share capital RM'000	Treasury shares RM'000	Translation RM'000	Hedging RM'000	Accumulated losses RM'000	Reserves	Total RM'000	Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity 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	30	-	-	-	-	(761)		(761)	-	-	(761)
Cash flow hedge	30	-	-	-	(1,709)	-		(1,709)	-	-	(1,709)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	-	-	-	(2,218)	-		(2,218)	-	-	(2,218)
Foreign currency translation differences for foreign operations	30	-	-	(14,247)	-	-		(14,247)	-	-	(14,247)
Other comprehensive expense for the year		-	-	(14,247)	(3,927)	(761)		(18,935)	-	-	(18,935)
Profit for the year		-	-	-	-	268,686		268,686	-	41,900	310,586
Total comprehensive income/ (expense) for the year		-	-	(14,247)	(3,927)	267,925		249,751	-	41,900	291,651
Distribution paid to perpetual sukuk holder		-	-	-	-	(51,665)		(51,665)	-	-	(51,665)
Dividends to owners of the Company	32	-	-	-	-	(182,283)		(182,283)	-	-	(182,283)
Dividends to non-controlling interests	7	-	-	-	-	-		-	-	(60,713)	(60,713)
Total transactions with owners of the Company		-	-	-	-	(182,283)		(182,283)	-	(60,713)	(242,996)
At 31 December 2024		5,693,055	(98,647)	22,194	293,860	(1,404,914)		4,505,548	800,000	238,289	5,543,837

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

Group	Note	/----------Attributable to owners of the Company----------/ Share capital RM'000	Treasury shares RM'000	Reserves Translation RM'000	Hedging RM'000	Accumulated losses RM'000	Total RM'000	Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2025		**5,693,055**	**(98,647)**	**22,194**	**293,860**	**(1,404,914)**	**4,505,548**	**800,000**	**238,289**	**5,543,837**
Remeasurement of defined benefit liabilities	30	-	-	-	-	(3,237)	(3,237)	-	-	(3,237)
Cash flow hedge	30	-	-	-	(238)	-	(238)	-	-	(238)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	30	-	-	-	(5,908)	-	(5,908)	-	-	(5,908)
Foreign currency translation differences for foreign operations	30	-	-	(17,929)	-	-	(17,929)	-	-	(17,929)
Other comprehensive expense for the year		-	-	(17,929)	(6,146)	(3,237)	(27,312)	-	-	(27,312)
Profit for the year		-	-	-	-	96,060	96,060	-	35,434	131,494
Total comprehensive income/ (expense) for the year		-	-	(17,929)	(6,146)	92,823	68,748	-	35,434	104,182
Distribution paid to perpetual sukuk holder		-	-	-	-	(55,200)	(55,200)	-	-	(55,200)
Dividends to owners of the Company	32	-	-	-	-	(179,351)	(179,351)	-	-	(179,351)
Dividends to non-controlling interests	7	-	-	-	-	-	-	-	(23,480)	(23,480)
Total transactions with owners of the Company		-	-	-	-	(179,351)	(179,351)	-	(23,480)	(202,831)
At 31 December 2025		**5,693,055**	**(98,647)**	**4,265**	**287,714**	**(1,546,642)**	**4,339,745**	**800,000**	**250,243**	**5,389,988**

The notes on pages 307 to 418 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

Company	Note	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2024		5,693,055	(98,647)	1,662,693	7,257,101
Remeasurement of defined benefit liabilities	30	-	-	(250)	(250)
Other comprehensive expense for the year		-	-	(250)	(250)
Profit for the year		-	-	72,166	72,166
Total comprehensive income for the year		-	-	71,916	71,916
Dividends to owners of the Company	32	-	-	(182,283)	(182,283)
At 31 December 2024/1 January 2025		**5,693,055**	**(98,647)**	**1,552,326**	**7,146,734**
Remeasurement of defined benefit liabilities	30	-	-	(1,748)	(1,748)
Other comprehensive expense for the year		-	-	(1,748)	(1,748)
Profit for the year		-	-	72,859	72,859
Total comprehensive income for the year		-	-	71,111	71,111
Dividends to owners of the Company	32	-	-	(179,351)	(179,351)
At 31 December 2025		**5,693,055**	**(98,647)**	**1,444,086**	**7,038,494**

The notes on pages 307 to 418 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from operating activities					
Profit before tax		**175,730**	458,339	**77,030**	75,591
Adjustments for:					
Amortisation of intangible assets		**273,835**	282,583	**-**	-
Amortisation of transaction costs of hedging instruments		**1,025**	6,360	**-**	-
Amortisation of concession assets		**20,941**	12,565	**-**	-
Depreciation of property, plant and equipment		**829,817**	764,465	**1,677**	1,728
Depreciation of right-of-use assets		**18,025**	13,693	**4,638**	4,639
Expenses related to retirement benefit plans		**7,332**	11,674	**1,267**	1,378
Dividend income		**-**	-	**(162,050)**	(221,500)
Finance income		**(57,261)**	(68,449)	**(57,200)**	(51,373)
Finance costs		**458,892**	502,450	**36,362**	27,517
Finance costs on lease liabilities		**1,922**	1,582	**497**	723
Loss arising from change in fair value of investment properties		**-**	100	**-**	-
Impairment loss on goodwill		**-**	10,193	**-**	-
Net (reversal)/loss on impairment of financial instruments		**(120)**	(109)	**(228)**	663
Net loss on impairment of investments in associates		**-**	12,484	**31,771**	-
Impairment loss on investments in subsidiaries		**-**	-	**29,034**	137,105
Net loss/(gain) on derecognition of lease		**160**	(64)	**-**	-
Gain on disposal of property, plant and equipment		**(127)**	(17,053)	**(60)**	(13,470)
Net impairment loss on property, plant and equipment		**143**	62	**-**	-
Net unrealised foreign exchange loss/(gain)		**417**	(349)	**(228)**	-
Property, plant and equipment written off		**18,713**	5,733	**-**	-
Reversal for diminution in value of consumables		**(12,375)**	(2,061)	**-**	-
Share of profit of equity-accounted associates and joint ventures, net of tax		**(96,211)**	(109,743)	**-**	-
Operating profit/(loss) before changes in working capital		**1,640,858**	1,884,455	**(37,490)**	(36,999)
Cash flows from operating activities (continued)					
Operating profit/(loss) before changes in working capital		**1,640,858**	1,884,455	**(37,490)**	(36,999)
Net change in deferred income		**(201,600)**	(217,021)	**-**	-
Net change in derivatives		**24,255**	518	**-**	-
Net change in employee benefits		**(8,630)**	(8,092)	**(2,085)**	(3,530)
Net change in inventories		**58,012**	(188,712)	**-**	-
Net change in provision for decommissioning costs		**(665)**	(23,470)	**-**	-
Net change in provision for concession assets		**(162,990)**	(16,794)	**-**	-
Net change in trade and other receivables		**791,818**	5,177	**(116,405)**	(36,771)
Net change in trade and other payables		**(243,473)**	35,869	**239,920**	122,022
Cash generated from operations		**1,897,585**	1,471,930	**83,940**	44,722
Dividends received from subsidiaries		**-**	-	**162,050**	221,500
Tax paid		**(167,854)**	(126,032)	**(4,016)**	(3,837)
Tax refunded		**94,478**	-	**7,885**	-
Net cash from operating activities		**1,824,209**	1,345,898	**249,859**	262,385
Cash flows from investing activities					
Change in investments in subsidiaries		**-**	-	**(56,373)**	(276)
Change in other investments		**238,833**	(343,112)	**-**	-
Acquisitions of subsidiaries, net of cash and cash equivalents acquired	39	**(25,214)**	-	**-**	-
Acquisition of an associate	39	**(118,500)**	-	**-**	-
Dividends received from associates		**18,362**	2,964	**-**	-
Dividends received from joint ventures		**36,644**	109,214	**-**	-
Interest received		**62,222**	64,066	**356**	1,686
Purchase of property, plant and equipment		**(643,718)**	(462,459)	**(3,871)**	(805)
Purchase of concession assets		**(5,535)**	(2,937)	**-**	-
Proceeds from disposal of property, plant and equipment		**3,967**	18,960	**207**	14,158
Acquisition of leasehold land		**(333)**	(1,448)	**-**	(189)
Net cash (used in)/from investing activities		**(433,272)**	(614,752)	**(59,681)**	14,574

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from financing activities					
Distribution to perpetual sukuk holder		**(55,200)**	(51,665)	**-**	-
Dividends paid to owners of the Company	32	**(179,351)**	(182,283)	**(179,351)**	(182,283)
Dividends paid to non-controlling interests		**(23,480)**	(60,713)	**-**	-
Interest paid		**(514,250)**	(585,327)	**(36,859)**	(56,592)
Proceeds from borrowings		**282,442**	6,000	**32,442**	-
Repayment of borrowings		**(835,685)**	(1,020,911)	**-**	-
Payment of lease liabilities		**(12,979)**	(7,291)	**(4,573)**	(4,303)
Net cash used in financing activities		**(1,338,503)**	(1,902,190)	**(188,341)**	(243,178)
Net increase/(decrease) in cash and cash equivalents		**52,434**	(1,171,044)	**1,837**	33,781
Cash and cash equivalents at 1 January		**1,399,972**	2,571,016	**93,624**	59,843
Cash and cash equivalents at 31 December	15	**1,452,406**	1,399,972	**95,461**	93,624

Cash outflows for leases as a lessee

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	29	**(7,327)**	(16,013)	**-**	-
Payment relating to leases of low-value assets	29	**(245)**	(225)	**-**	-
Payment relating to variable lease payments not included in the measurement of lease liabilities	29	**-**	(25)	**-**	-
Included in net cash used in financing activities					
Interest paid in relation to lease liabilities	27	**(1,922)**	(1,582)	**(497)**	(723)
Payment of lease liabilities		**(12,979)**	(7,291)	**(4,573)**	(4,303)
Total cash outflows for leases		**(22,473)**	(25,136)	**(5,070)**	(5,026)

The notes on pages 307 to 418 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Malakoff Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business and registered office
Level 12, Block 4
Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in associates and joint ventures.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 16 March 2026.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - > Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - > Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - > Amendments to MFRS 9, *Financial Instruments*
  - > Amendments to MFRS 10, *Consolidated Financial Statements*
  - > Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2026 for those amendments that are effective for annual periods beginning on or after 1 January 2026.

- from the annual period beginning on 1 January 2027 for those accounting standards and amendments that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19, *Subsidiaries without Public Accountability: Disclosures,* which is not applicable to the Group and the Company.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Non-derivative financial instruments at fair value through profit or loss ("FVTPL")	Fair value
Investment properties	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less the present value of the defined benefit obligation

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

1. Basis of preparation (continued)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than the following:

(i) Residual values of power plant and machinery

a) *Gas-fired power plant*

Estimating the residual values of power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery however, may be different from expected. The Group's subsidiaries considered and determined recoverable values of the power plant and machinery based on the valuations derived by the independent professional valuer using the significant assumptions as disclosed in Note 2.2.

b) *Coal-fired power plant*

Estimating the residual values of the power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery however, may be different from expected. The Group's subsidiaries considered and determined the recoverable values of the power plant and machinery based on the expected discounted cash flows derived using the significant assumptions as disclosed in Note 2.2.

(ii) Intangible assets and investment in associate

Measurement of recoverable amounts of cash-generating units is derived based on value in use of the cash-generating units. The significant assumptions used to derive value in use are as disclosed in Note 6.

(iii) Provision for decommissioning costs

Estimating the provision for decommissioning costs involves significant judgements and assumptions. The actual costs, however, may be different from expected. The Group's subsidiaries considered and determined the provision for decommissioning costs based on the valuations derived by the independent professional valuer using the significant assumptions as disclosed in Note 21.

(iv) Provision for concession assets

Estimating the provision for concession assets involves significant judgements, selection of variety of methods and assumptions that are normally based on past costs incurred. The actual costs, however, may be different from expected. The significant assumptions used to estimate the provision are as disclosed in Note 22.

2. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Power plants RM'000	Inspection costs RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Assets under construction RM'000	Total RM'000
Cost										
At 1 January 2024	285,004	37,125	19,119,295	2,678,185	170,048	187,871	20,616	127,304	122,218	22,747,666
Additions	-	529	20,862	239,713	18,080	11,420	3,350	2,994	165,511	462,459
Disposals	(707)	-	-	-	(2,373)	(902)	(641)	(777)	-	(5,400)
Write-off	-	-	(738)	(5,352)	(169)	(904)	-	(34)	(18)	(7,215)
Net borrowing costs capitalised at 2.02% to 3.10% per annum	-	-	-	-	-	-	-	-	28,621	28,621
Transfer to disposal group held for sale (Note 16)	-	(5,574)	-	-	(129,997)	(14,473)	(97)	(2,431)	-	(152,572)
At 31 December 2024/ 1 January 2025	**284,297**	**32,080**	**19,139,419**	**2,912,546**	**55,589**	**183,012**	**23,228**	**127,056**	**316,332**	**23,073,559**
Acquisitions through business combinations (Note 39)	**-**	**-**	**-**	**-**	**-**	**102**	**100**	**2**	**-**	**204**
Additions	**-**	**2,724**	**58,993**	**172,280**	**22,878**	**5,602**	**2,207**	**5,675**	**373,359**	**643,718**
Disposals	**-**	**-**	**-**	**-**	**(3,571)**	**(315)**	**(1,764)**	**(202)**	**-**	**(5,852)**
Write-off	**-**	**-**	**(28,998)**	**-**	**(18)**	**(137)**	**(4)**	**(314)**	**(610)**	**(30,081)**
Reclassification	**-**	**-**	**130,184**	**(130,184)**	**-**	**-**	**-**	**-**	**-**	**-**
Net borrowing costs capitalised at 0.92% to 2.98% per annum	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,459**	**27,459**
Transfer from disposal group held for sale (Note 16)	**-**	**5,574**	**-**	**-**	**129,997**	**14,473**	**97**	**2,431**	**-**	**152,572**
At 31 December 2025	**284,297**	**40,378**	**19,299,598**	**2,954,642**	**204,875**	**202,737**	**23,864**	**134,648**	**716,540**	**23,861,579**

2. Property, plant and equipment (continued)

Group	Freehold land RM'000	Buildings RM'000	Power plants RM'000	Inspection costs RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Assets under construction RM'000	Total RM'000
Accumulated depreciation and impairment loss										
At 1 January 2024										
Accumulated depreciation	-	36,896	9,793,048	2,034,774	127,333	166,613	15,726	118,989	-	12,293,379
Accumulated impairment loss	-	-	-	-	1	30	8	10	-	49
	-	36,896	9,793,048	2,034,774	127,334	166,643	15,734	118,999	-	12,293,428
Depreciation for the year	-	221	586,683	135,696	27,185	8,808	964	4,908	-	764,465
Disposals	-	-	-	-	(1,750)	(668)	(298)	(777)	-	(3,493)
Write-off	-	-	-	(377)	(169)	(902)	-	(34)	-	(1,482)
Impairment loss	-	-	-	-	16	32	63	-	-	111
Reversal of impairment loss	-	-	-	-	(1)	(30)	(8)	(10)	-	(49)
Transfer to disposal group held for sale (Note 16)	-	(5,558)	-	-	(97,359)	(10,510)	(97)	(2,388)	-	(115,912)
At 31 December 2024										
Accumulated depreciation	-	31,559	10,379,731	2,170,093	55,240	163,341	16,295	120,698	-	12,936,957
Accumulated impairment loss	-	-	-	-	16	32	63	-	-	111
	-	31,559	10,379,731	2,170,093	55,256	163,373	16,358	120,698	-	12,937,068

2. Property, plant and equipment (continued)

Group	Freehold land RM'000	Buildings RM'000	Power plants RM'000	Inspection costs RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Assets under construction RM'000	Total RM'000
Accumulated depreciation and impairment loss										
At 1 January 2025										
Accumulated depreciation	-	31,559	10,379,731	2,170,093	55,240	163,341	16,295	120,698	-	12,936,957
Accumulated impairment loss	-	-	-	-	16	32	63	-	-	111
	-	31,559	10,379,731	2,170,093	55,256	163,373	16,358	120,698	-	12,937,068
Acquisitions through business combinations (Note 39)	-	-	-	-	-	67	80	-	-	147
Depreciation for the year	-	2,685	566,051	220,678	26,229	8,979	1,278	3,917	-	829,817
Disposals	-	-	-	-	(10)	(261)	(1,539)	(202)	-	(2,012)
Write-off	-	-	(10,901)	-	(18)	(131)	(4)	(314)	-	(11,368)
Reclassification	-	-	42,165	(42,165)	-	-	-	-	-	-
Impairment loss	-	-	-	-	29	151	54	20	-	254
Reversal of impairment loss	-	-	-	-	(16)	(32)	(63)	-	-	(111)
Transfer from disposal group held for sale (Note 16)	-	5,558	-	-	97,359	10,510	97	2,388	-	115,912
At 31 December 2025	-	39,802	10,977,046	2,348,606	178,800	182,505	16,207	126,487	-	13,869,453
Accumulated depreciation	-	39,802	10,977,046	2,348,606	178,829	182,505	16,261	126,507	-	13,869,707
Accumulated impairment loss	-	-	-	-	29	151	54	20	-	254
	-	39,802	10,977,046	2,348,606	178,829	182,656	16,261	126,507	-	13,869,707
Carrying amounts										
At 1 January 2024	285,004	229	9,326,247	643,411	42,714	21,228	4,882	8,305	122,218	10,454,238
At 31 December 2024/ 1 January 2025	284,297	521	8,759,688	742,453	333	19,639	6,870	6,358	316,332	10,136,491
At 31 December 2025	284,297	576	8,322,552	606,036	26,046	20,081	7,603	8,141	716,540	9,991,872

2. Property, plant and equipment (continued)

Company	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment and furniture RM'000	Motor vehicles RM'000	Computers RM'000	Total RM'000
Cost							
At 1 January 2024	21,516	17,055	154	18,988	1,448	30,993	90,154
Additions	-	-	-	97	-	708	805
Disposals	(688)	-	-	-	-	(651)	(1,339)
At 31 December 2024/ 1 January 2025	**20,828**	**17,055**	**154**	**19,085**	**1,448**	**31,050**	**89,620**
Additions	-	-	-	63	408	3,400	3,871
Disposals	-	-	-	-	(803)	(17)	(820)
At 31 December 2025	**20,828**	**17,055**	**154**	**19,148**	**1,053**	**34,433**	**92,671**
Accumulated depreciation							
At 1 January 2024	-	16,385	154	18,481	1,061	29,230	65,311
Depreciation for the year	-	299	-	150	183	1,096	1,728
Disposals	-	-	-	-	-	(651)	(651)
At 31 December 2024/ 1 January 2025	-	**16,684**	**154**	**18,631**	**1,244**	**29,675**	**66,388**
Depreciation for the year	-	**299**	-	**154**	**77**	**1,147**	**1,677**
Disposals	-	-	-	-	**(657)**	**(16)**	**(673)**
At 31 December 2025	-	**16,983**	**154**	**18,785**	**664**	**30,806**	**67,392**
Carrying amounts							
At 1 January 2024	21,516	670	-	507	387	1,763	24,843
At 31 December 2024/ 1 January 2025	**20,828**	**371**	-	**454**	**204**	**1,375**	**23,232**
At 31 December 2025	**20,828**	**72**	-	**363**	**389**	**3,627**	**25,279**

2. Property, plant and equipment (continued)

2.1 Securities

At 31 December 2025, certain property, plant and equipment of the Group with a total carrying amount of RM7,853,549,000 (2024: RM8,173,867,000) were charged as securities for debt securities issued by subsidiaries (see Note 19).

2.2 Residual values

Estimating the residual values of power plant and machinery involves significant judgements, selection of variety of methods and assumptions that are normally based on market conditions existing at the balance sheet date. The actual residual values of the power plant and machinery, however, may be different from expected.

The residual values of power plant and machinery are as below:

Power Purchase Agreement ("PPA") Owner	Year of expiry	Residual values RM' million 2025	RM' million 2024
Gas-fired power plant			
GB3 Sdn. Bhd.	extended to 2029	**90.0**	90.0
Prai Power Sdn. Bhd.	extended to 2030	**25.0**	25.0
Segari Energy Ventures Sdn. Bhd.	extended to 2029	**170.0**	170.0
		285.0	285.0
Coal-fired power plant			
Tanjung Bin Power Sdn. Bhd.	2031	**1,924.0**	1,924.0
Tanjung Bin Energy Sdn. Bhd.	2041	**1,433.0**	1,433.0
		3,357.0	3,357.0

In assessing the appropriateness of the residual values adopted, management considered the recoverable values of the power plant and machinery based on the following methods:

(a) Valuation by an independent professional valuer for gas-fired power plant

The residual values of the gas-fired power plants were assessed based on valuation reports prepared by an independent professional valuer in December 2023. Based on assessment by the Group, the previous residual values remain appropriate. The valuation by the independent professional valuer was derived using the following critical assumptions:

1) The plant and machinery will continue in their present use in the business over the economic life of the assets;
2) Adequate potential profitability of the business, or continuing viability of the operation; and
3) The dismantling and removal of all equipment from the site at the end of the economic life of the assets will be the responsibility of the buyer.

Any change to the key assumptions will result in a different residual value recognised.

2. Property, plant and equipment (continued)

2.2 Residual values (continued)

(b) The discounted cash flow method for coal-fired power plant

The discounted cash flows were derived using the following critical assumptions:

1) The power plants will be able to operate for another ten (10) years at the end of the concession period, in view of:
   (i) the expected useful life of a coal-fired power plant;
   (ii) continuous stable demand for power;
   (iii) cheaper rate as compared to other power alternatives; and
   (iv) Tenaga Nasional Berhad's continued reliance on Independent Power Producers.
2) An estimated tariff rate during the extension period which management deems to be reasonable based on the expected demand and the tariff rate at the end of the current PPAs;
3) Average despatch factors of 82% to 90% to reflect the future demand for power; and
4) A pre-tax discount rate of 17% per annum.

Any change to the key assumptions will result in a different residual value recognised.

2.3 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. All spare parts which are expected to be used for more than one period are classified under inspection costs within property, plant and equipment. Spare parts will be depreciated from the date that they are used.

The estimated useful lives for the current and comparative periods are as follows:

• Buildings	5 – 20 years
• Inspection costs	1.5 – 10 years
• Power plants and machinery	5 – 31 years
• Office equipment and furniture	3 – 10 years
• Motor vehicles	5 – 10 years
• Computers	3 – 5 years

3. Right-of-use assets

Group	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment RM'000	Total RM'000
At 1 January 2024	87,086	16,782	58	76	104,002
Additions	1,448	1,766	79	-	3,293
Derecognition	-	(1,384)	(28)	(72)	(1,484)
Remeasurement of lease liabilities	9	15,307	16	74	15,406
Depreciation for the year	(5,393)	(8,164)	(112)	(24)	(13,693)
Transfer to disposal group held for sale (Note 16)	-	(577)	-	-	(577)
At 31 December 2024/ At 1 January 2025	**83,150**	**23,730**	**13**	**54**	**106,947**
Additions	**333**	**8,642**	**-**	**-**	**8,975**
Derecognition	**-**	**(2,222)**	**-**	**-**	**(2,222)**
Remeasurement of lease liabilities	**5,026**	**8,977**	**1**	**14**	**14,018**
Depreciation for the year	**(5,713)**	**(12,262)**	**(14)**	**(36)**	**(18,025)**
Transfer from disposal group held for sale (Note 16)	**-**	**577**	**-**	**-**	**577**
At 31 December 2025	**82,796**	**27,442**	**-**	**32**	**110,270**

Company	Leasehold land RM'000	Buildings RM'000	Total RM'000
At 1 January 2024	3,996	4,265	8,261
Additions	189	-	189
Remeasurement of lease liabilities	-	12,045	12,045
Depreciation for the year	(58)	(4,581)	(4,639)
At 31 December 2024/1 January 2025	**4,127**	**11,729**	**15,856**
Depreciation for the year	**(58)**	**(4,580)**	**(4,638)**
At 31 December 2025	**4,069**	**7,149**	**11,218**

The Group leases a number of buildings, plant and machinery and office equipment that run between one year and six years, with an option to renew these leases after that date, whereas the Company leases a number of buildings that run at three years, with an option to renew these leases after that date.

3. Right-of-use assets (continued)

3.1 Extension options

Some leases of buildings contain extension options exercisable by the Group and the Company up to three years before the end of the non-cancellable contract period. Where practicable, the Group and the Company seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and the Company and not by the lessors. The Group and the Company assess at lease commencement whether they are preasonably certain to exercise the extension options. The Group and the Company reassess whether they are reasonably certain to exercise the options if there is a significant event or significant change in circumstances within their control.

The extension options of all leases are currently included in the lease terms as the Group and the Company assessed that they are reasonably certain to exercise the extension options, which is supported by the high historical rate of extensions exercised by the Group and the Company. Hence, there were no potential future lease payments not included in lease liabilities.

3.2 Judgements and assumptions in relation to leases

The Group and the Company assess at lease commencement by applying judgement whether they are reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group and the Company also applied judgements and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

3.3 Securities

At 31 December 2025, certain right-of-use assets of the Group with a total carrying amount of RM26,312,000 (2024: RM30,434,000) were charged as securities for debt securities issued by subsidiaries (see Note 19).

3.4 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group or the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(c) Recognition exemption

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Investment properties

	Group	
	2025 RM'000	2024 RM'000
At fair value		
At 1 January	**16,300**	16,400
Change in fair value recognised in profit or loss	**-**	(100)
At 31 December	**16,300**	16,300

4.1 Nature of leasing activities

Investment properties consist of land and buildings that are leased to third parties.

4.2 Other income/(expenses) recognised in profit or loss in relation to investment properties

	Group	
	2025 RM'000	2024 RM'000
Lease income	**795**	834
Direct operating expenses:		
- income generating investment properties	**(61)**	(58)

The maturity analysis of operating lease payments is not disclosed as it is not material in the context of the consolidated financial statements.

4.3 Fair value information

Fair value of investment properties is categorised as follows:

	Group Level 2	
	2025 RM'000	2024 RM'000
Land and buildings	**16,300**	16,300

Fair value of investment properties is based on valuations by an independent qualified valuer and derived using the market comparison approach. Sales price of comparable properties in close proximity is adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

4.4 Material accounting policy information

Investment properties are measured subsequently at fair value, representing open-market values determined annually by independent qualified valuer with any changes therein recognised in profit or loss for the period in which they arise.

5. Concession assets

	Note	Group 2025 RM'000	2024 RM'000
Cost			
At 1 January		**287,935**	284,998
Additions		**5,535**	2,937
Acquisitions through business combinations	39	**184,668**	-
At 31 December		**478,138**	287,935
Amortisation and impairment loss			
At 1 January			
Accumulated amortisation		**166,133**	153,568
Accumulated impairment loss		**8,599**	8,599
		174,732	162,167
Acquisitions through business combinations	39	**47,934**	-
Amortisation for the year		**20,941**	12,565
At 31 December			
Accumulated amortisation		**235,008**	166,133
Accumulated impairment loss		**8,599**	8,599
		243,607	174,732
Carrying amounts			
At 1 January		**113,203**	122,831
At 31 December		**234,531**	113,203

5.1 Concession assets – Alam Flora Sdn. Bhd. ("AFSB")

AFSB, a subsidiary of the Group, entered into a Service Concession Agreement with the Federal Government of Malaysia ("Government") and Solid Waste and Public Cleansing Management Corporation ("Corporation") to undertake the Collection Services and Public Cleansing Management Services in the state of Pahang, Federal Territories of Kuala Lumpur and Putrajaya for a period of 22 years commencing from 1 September 2011.

Under the Service Concession Agreement, the Corporation shall pay AFSB monthly payment of agreed fees in consideration of AFSB's obligations. The fees are subject to review on the seventh (7th) year anniversary and subsequently on the fourteenth (14th) year anniversary of the concession. As at the reporting date, there is no change to the prevailing fees as negotiations with the Corporation to review the fees are still in progress.

In accordance with the Service Concession Agreement, AFSB shall provide an inventory of all assets to the Corporation at least (12) months prior to the Expiry date. Upon expiry, AFSB shall hand over those assets identified and required by the Corporation in the specified operational conditions.

5. Concession assets (continued)

5.2 Concession assets – ZEC Solar Sdn. Bhd. ("ZEC Solar")

On 21 March 2017, ZEC Solar a wholly-owned subsidiary, and Tenaga Nasional Berhad ("TNB") entered into a Solar Power Purchase Agreement ("SPPA") to design, construct, own, operate and maintain a solar photovoltaic energy generating facility with a capacity of 29MW in Kota Tinggi, Johor to generate and deliver solar photovoltaic energy to TNB ("the facility") under a 21-year SPPA. On 23 August 2019, ZEC Solar's solar power plant achieved its commercial operation date.

5.3 Material accounting policy information

(a) Recognition and measurement

Subsequent costs and expenditures relate to infrastructure and equipment costs arising from the commitment to the concession agreement are capitalised only when it is probable that the future economic benefits of these costs and expenditures will flow to the Group. All other repair and maintenance expenses that are routine in nature, are expensed and recognised in the profit or loss as incurred.

(b) Amortisation

Amortisation is recognised in profit or loss based on straight-line basis over the estimated useful lives of concession assets.

The estimated useful lives for the current and comparative periods are as follows:

- Concession assets 21 – 22 years

6. Intangible assets

Group	Note	Goodwill – Alam Flora Sdn. Bhd. RM'000	Goodwill – Others RM'000	Interest over Service Concession Agreement RM'000	Interest over Power Purchase and Operation and Maintenance Agreements RM'000	Total RM'000
Cost						
At 1 January 2024/31 December 2024/ 1 January 2025		152,784	23,476	501,776	7,752,609	8,430,645
Acquisitions through business combinations	39	-	3,771	-	-	3,771
At 31 December 2025		**152,784**	**27,247**	**501,776**	**7,752,609**	**8,434,416**
Accumulated amortisation and impairment loss						
At 1 January 2024			-	149,345	6,012,973	6,162,318
Accumulated amortisation		-	-	-	-	-
Accumulated impairment loss		-	8,232	149,345	6,012,973	6,170,550
		-	8,232	36,520	234,389	270,909
Amortisation for the year		-	-	-	-	-
Impairment for the year		10,193	-	-	-	10,193
At 31 December 2024/1 January 2025			-	185,865	6,247,362	6,433,227
Accumulated amortisation		-	-	-	-	-
Accumulated impairment loss		10,193	8,232	185,865	6,247,362	6,451,652
		10,193	8,232	36,420	223,216	259,636
Amortisation for the year		-	-	-	-	-
At 31 December 2025			-	222,285	6,470,578	6,692,863
Accumulated amortisation		-	-	-	-	-
Accumulated impairment loss		10,193	8,232	222,285	6,470,578	6,711,288
		10,193	8,232	222,285	6,470,578	6,711,288
Carrying amounts						
At 1 January 2024		152,784	15,244	352,431	1,739,636	2,260,095
At 31 December 2024/1 January 2025		**142,591**	**15,244**	**315,911**	**1,505,247**	**1,978,993**
At 31 December 2025		**142,591**	**19,015**	**279,491**	**1,282,031**	**1,723,128**

6. Intangible assets (continued)

Intangible assets including goodwill arising from interest over Service Concession Agreement (subsidiary)

Initial measurement

The Group generates revenue from the integrated solid waste collection and cleansing public management services in the state of Pahang, Federal Territories of Kuala Lumpur and Putrajaya under the Service Concession Agreement ("SCA") held by AFSB, the concession assets holder (see Note 5).

The fair values of the Intangible Assets arising from the SCA were measured using the Multi-Period Excess Earnings Method ("MEEM") under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The contributory asset charges ("CAC") were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

- Remaining useful life of SCA — 13.75 years (in accordance with the SCA)
- Revenue — Projected tariff rate revisions with an annualised growth rate of 2%
- Cost of sales — Projected private contractor costs based on past experience
- Capital expenditures ("CAPEX") — Expenses on concession assets replacement costs for existing SCA business
- Pre-tax discount rate — 18.65%

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages.

Impairment testing for cash-generating unit containing goodwill

Goodwill was allocated to AFSB following the completion of the acquisition of AFSB by the Group. The goodwill represents the cash-generating unit ("CGU") within the Group at which the goodwill was monitored for internal management purposes. The CGU relates to collection and cleansing management services. The Group has exercised significant judgement in assessing the CGU's recoverable amount using value in use.

The impairment test of the above CGU was based on its value in use, determined by discounting future cash flows to their present values equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This is calculated by weighing the required returns on debt and equity in proportion to its assumed percentages. The discount rate reflected the current market assessment of the time value of money and was based on the estimated cost of capital.

6. Intangible assets (continued)

Intangible assets including goodwill arising from interest over Service Concession Agreement (subsidiary) (continued)

Impairment testing for cash-generating unit containing goodwill (continued)

The following table shows the valuation techniques used in the determination of value in use, as well as the significant assumptions used in the valuation model.

- Remaining useful life of SCA — 7.75 years (in accordance with the SCA)
- Revenue — Projected tariff rate revisions with an annualised growth rate of 2%
- Cost of sales — Projected private contractor costs based on past experience
- CAPEX — Expenses on concession assets replacement costs for existing SCA business
- Pre-tax discount rate — 18.76%

The values assigned to the key assumptions represent management's assessment of future trends in the solid waste management industry and were based on external sources and internal sources (historical data).

Consequent to the assessment, the estimated recoverable amount of RM496,094,000 exceeded the carrying amount of the CGU of RM407,723,000 and no impairment loss was recognised. Adverse changes in any of the key assumptions may result in impairment losses to be recognised.

Intangible assets including goodwill arising from interest over Service Concession Agreement (associate)

On 28 February 2025, Tuah Utama Sdn. Bhd. ("TUSB"), a wholly-owned subsidiary of the Company completed the acquisition of 49% equity interest in E-Idaman Sdn. Bhd. ("E-Idaman") for a total cash consideration of RM118,500,000. Following the completion of the acquisition, E-Idaman became an associate of the Company. E-Idaman through its wholly-owned subsidiary, Environment Idaman Sdn. Bhd., entered into a Service Concession Agreement ("SCA") with the Government and Solid Waste and Public Cleansing Management Corporation ("Corporation") to undertake the Collection Services and Public Cleansing Management Services in the state of Kedah and Perlis for a period of 22 years.

During the financial year, as part of the due diligence in the acquisition of E-Idaman (see Note 39), the Group engaged an independent valuer to perform an entity valuation of E-Idaman. Based on the valuation performed, the Group has allocated the provisional intangible assets based on the fair value less cost to sell of the future cash flows arising from the existing SCA that was issued by the Government. The remaining surplus from the fair value less cost to sell is allocated as goodwill to the Group.

The SCA held by associate is recognised as part of the carrying amount in the investments in associates.

Initial measurement

The fair values of the Intangible Assets arising from the SCA were measured using the Multi-Period Excess Earnings Method ("MEEM") under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The contributory asset charges ("CAC") were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

6. Intangible assets (continued)

Intangible assets including goodwill arising from interest over Service Concession Agreement (associate) (continued)

Initial measurement (continued)

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

- Remaining useful life of SCA — 8.75 years (in accordance with the SCA)
- Revenue — Projected annualised growth rate of 1%
- Gross profit margin — Projected annualised rate of 20% based on past experience
- Pre-tax discount rate — 30.15%

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages.

Impairment testing for cash-generating unit containing goodwill

Goodwill was allocated to E-Idaman following the completion of the acquisition of E-Idaman by the Group. The goodwill represents the CGU within the Group at which the goodwill was monitored for internal management purposes. The CGU also includes interest over SCA in E-Idaman. The Group has exercised significant judgement in assessing the CGU's recoverable amount using value in use.

The impairment test of the above CGU was based on its value in use, determined by discounting future cash flows to their present values equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This is calculated by weighing the required returns on debt and equity in proportion to its assumed percentages. The discount rate reflected the current market assessment of the time value of money and was based on the estimated cost of capital.

The following table shows the valuation techniques used in the determination of value in use, as well as the significant assumptions used in the valuation model.

- Remaining useful life of SCA — 7.75 years (in accordance with the SCA)
- Revenue — Projected tariff rate revisions with an annualised growth rate of 1%
- Gross profit margin — Projected annualised rate of 22% based on past experience
- Pre-tax discount rate — 21.35%

The values assigned to the key assumptions represent management's assessment of future trends in the solid waste management industry and were based on external sources and internal sources (historical data).

Consequent to the assessment, the estimated recoverable amount of RM123,353,000 exceeded the carrying amount of the CGU of RM113,214,000 and no impairment loss was recognised. Adverse changes in any of the key assumptions may result in impairment losses to be recognised.

6. Intangible assets (continued)

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate and joint venture), Water Purchase (joint venture) and Operation and Maintenance (subsidiaries) Agreements

The revenue of the subsidiaries and share of profits of the associate and joint venture are substantially derived from the generation and sale of electricity energy and generating capacity in Malaysia, which is governed by the Power Purchase Agreements ("PPAs") (together with the Independent Power Producer Licences ("IPP Licences") issued by the Ministry of Energy, Water and Communications), Power and Water Purchase Agreements ("PWPAs") and Water Purchase Agreement ("WPA") held by the subsidiaries, associate and joint venture. The Operation and Maintenance Agreements ("OMAs") held by certain subsidiaries engaged in operation and maintenance are associated with the Independent Power Producers within the Group.

Upon acquisition of the subsidiaries, associates and joint venture, the Group has determined the expected cash flows to be generated from the PPAs, OMAs (together with the IPP Licences), PWPAs and WPA.

The PPAs and OMAs held by subsidiaries in Malaysia are recognised as a single asset in accordance with MFRS 138, *Intangible Assets*, in view that they are required for the generation, operation and maintenance, sale of electricity energy and generating capacity in Malaysia.

As at 31 December 2025, there are three (3) PPAs (together with the respective IPP Licences) held by the Group's power producing subsidiaries, namely Segari Energy Ventures Sdn. Bhd. ("SEV"), Tanjung Bin Power Sdn. Bhd. ("TBP") and an associate, Kapar Energy Ventures Sdn. Bhd. ("KEV") as well as three (3) OMAs held by the Group's operation and maintenance subsidiaries, namely Malakoff Power Berhad ("MPB") and Tanjung Bin O&M Berhad ("TBOM").

The PWPAs and WPA held by associate and joint venture are recognised as part of the carrying amount in the investments in associates and joint venture.

As at 31 December 2025, Hidd Power Company B.S.C. (c) ("HPC"), an associate holds one (1) PWPA and Saudi-Malaysia Water & Electricity Company Limited ("SAMAWEC"), an indirect joint venture holds one (1) PWPA and one (1) WPA.

The PPAs, PWPAs, WPA and OMAs are the key documents that govern the underlying strength of the Group's cash flows, which provide for, *inter alia*, the electricity tariff, supply, operations and maintenance and all other terms to be met by the subsidiaries, associates and joint venture.

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate) and Operation and Maintenance (subsidiaries) Agreements

Initial measurement

The fair values of the Intangible Assets arising from the PPAs, PWPA, and OMAs were measured using the Multi-Period Excess Earnings Method ("MEEM") under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The contributory asset charges ("CAC") were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

6. Intangible assets (continued)

Intangible assets arising from interest over Power Purchase (subsidiaries and associate), Power and Water Purchase (associate) and Operation and Maintenance (subsidiaries) Agreements (continued)

Initial measurement (continued)

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

• Remaining useful life of PPAs/PWPA/OMAs	2 – 25 years (in accordance with the respective PPAs, PWPA and OMAs)
• Dependable Capacity ("DC"):	
– Power	350 MW – 2,420 MW
– Water	17,047 m^3/hour
• Capacity Factor:	
– Power	10% – 75% of DC
– Water	91% – 99% of DC
• Net Output:	
– Electrical (million kW/hour)	213 – 11,197
– Water (thousand m^3)	67,370 – 73,771
• Capacity Rate:	
– Power (RM/kW/month)	11.35 – 50.00
– Water (RM/m^3/month)	1,222 – 1,339
• Fixed Operating Rate under Revenue (RM/kW/month)	4.00 – 10.50
• Variable Operating Rate under Revenue:	
– Power (RM/kW/month)	0.013 – 4.775
– Water (RM/m^3/month)	58.20 – 116.40
• Fuel price (RM/mmBtu)	4.60 – 13.70
• CAC	17.77% – 28.00% of revenue

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages. The applied pre-tax discount rate ranges from 7.5% to 9% per annum.

Intangible assets arising from interest over Power and Water Purchase and Water Purchase Agreements (joint venture)

Initial measurement

The share of profits of joint venture is also derived from the generation and sale of desalinated water and electricity in the Kingdom of Saudi Arabia, which is governed by the PWPA and WPA.

6. Intangible assets (continued)

Intangible assets arising from interest over Power and Water Purchase and Water Purchase Agreements (joint venture) (continued)

Initial measurement (continued)

The fair values of the Intangible Assets arising from the PWPA and WPA were measured using the MEEM under the income method. The underlying rationale in the MEEM was that the fair values of Intangible Assets represent the present value of the net income after taxes attributable to the Intangible Assets. The net income attributable to the Intangible Assets was the excess income after charging a fair return on all the assets that are necessary (contributory assets) to realise the net income. The CAC were based on the fair value of each contributory asset and represent the return on the assets. The assumption in calculating the CAC was that the owner of the Intangible Asset "rents" or "leases" the contributory assets from a hypothetical third party in an arm's length transaction in order to be able to derive income from the Intangible Assets. The present value of the expected income attributable to the Intangible Assets less CAC and taxes represents the value of the Intangible Assets.

Management had applied the following key assumptions in deriving the present value of the net income after taxes attributable to the Intangible Assets at the acquisition date:

• Contracted tariff	Agreed tariff as per PWPA and WPA
• Residual value	10% of Engineering, Procurement, and Construction Cost ("EPCC") net of decommissioning costs as the terminal value
• CAPEX	Expenses on power plants and machinery replacement

In applying the MEEM valuation methodology, the expected cash flows were discounted to their present value equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to their assumed percentages. The applied pre-tax discount rate was 44% per annum.

Interest over Power Purchase and Operation and Maintenance Agreements (subsidiaries)

Interest over Power Purchase and Operation and Maintenance Agreements of subsidiaries have finite useful lives and are subject to impairment assessment only if there is an indication of impairment. There is no indication of impairment during the current and previous financial years.

Interest over Power and Water Purchase Agreement in HPC (associate)

Impairment testing for cash-generating unit containing goodwill and interest over Power and Water Purchase Agreement in HPC (associate)

Goodwill was allocated to HPC following the completion of the acquisition of HPC by the Group. The goodwill represents the CGU within the Group at which the goodwill was monitored for internal management purposes. The CGU also includes interest over PWPA in HPC. During the financial year, in the view that HPC's PWPA is approaching expiry in May 2028 with no extension period expected based on latest assessment performed by the Group, an impairment assessment was carried out on the recoverable amount of its investment in HPC using value in use.

The impairment test of the above CGU was based on value in use, determined by discounting future cash flows to their present values equivalent using a rate of return that reflects the relative risk of the cash flows, as well as the time value of money. This was calculated by weighing the required returns on debt and equity in proportion to its assumed percentages. The discount rate reflected the current market assessment of the time value of money and was based on the estimated cost of capital.

6. Intangible assets (continued)

Interest over Power and Water Purchase Agreement in HPC (associate) (continued)

Impairment testing for cash-generating unit containing goodwill and interest over Power and Water Purchase Agreement in HPC (associate) (continued)

The following table shows the valuation techniques used in the determination of value in use, as well as the significant assumptions used in the valuation model.

• Remaining useful life of PWPA	2.75 years (in accordance with remaining tenure of original PWPA)
• Plant availability	Plant availability projected based on past experience
• Power and water despatch	Power and water despatch projected based on past experience
• Pre-tax discount rate	11%

The values assigned to the key assumptions represent management's assessment of future trends in the power and water desalination industry and were based on external sources and internal sources (historical data).

Consequent to the assessment, the estimated recoverable amount based on its value in use is RM338,339,000, which approximates its carrying amount and no impairment loss is required to be recognised. Adverse change in any of the key assumptions may result in impairment losses to be recognised.

Interest over Power and Water Purchase Agreement and Water Purchase Agreement in SAMAWEC (joint venture)

Interest over PWPA and WPA in SAMAWEC has finite useful lives and is subject to impairment assessment only if there is an indication of impairment. There is no indication of impairment during the financial year.

6.1 Material accounting policy information

(a) Recognition and measurement

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Amortisation

Amortisation is recognised in profit or loss based on straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

• Interest over Power Purchase Agreements	2 – 25 years
• Interest over Power and Water Purchase and Water Purchase Agreements	10 – 15 years
• Interest over Operation and Maintenance Agreements	2 – 25 years
• Interest over Service Concession Agreements	8.75 –13.75 years

7. Investments in subsidiaries

	Note	Company 2025 RM'000	2024 RM'000
At cost			
Unquoted shares		**8,185,532**	8,135,017
Unquoted preference shares	7.1	**907,826**	880,453
Amount due from a subsidiary	7.2	**109,355**	109,355
Capital contribution to subsidiaries	7.3	**3,793**	3,793
Less: Accumulated impairment losses	7.4	**(2,733,441)**	(2,704,407)
		6,473,065	6,424,211

7.1 During the financial year, the Company subscribed additional 27,373,000 units of Redeemable Non-cumulative Convertible Preference Shares ("RNCCPS") in addition to its existing RNCCPS shares of 95,175,000 units issued by Tanjung Bin Energy Sdn. Bhd. ("TBE"), a wholly owned subsidiary of the Company, at an issue price of RM1.00 per unit amounting to RM27,373,000.

7.2 Amount due from a subsidiary is non-trade in nature, unsecured and non-interest bearing. The amount has no fixed payment date and the subsidiary has the right to defer the payment.

7.3 Capital contribution to subsidiaries is considered as a long-term source of capital to its subsidiaries, of which any repayment of the amount is solely at the discretion of the subsidiaries. These contributions are accounted for as the Company's net shareholders' investments in its subsidiaries and are stated at cost.

7.4 During the financial year, the Company continued to assess the recoverability of its investments in subsidiaries which have 10 years or less in the remaining tenure of their PPAs based on fair value less costs of disposal estimated using the market approach. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation techniques used.

Consequent to the impairment tests carried out, the total carrying amount of certain investments in subsidiaries of RM6,423,929,000 (2024: RM6,561,000,000) exceeded the recoverable amount of RM6,394,895,000 (2024: RM6,423,895,000). As a result, the Company recognised an impairment loss amounting to RM29,034,000 (2024: RM137,105,000) in profit or loss.

7.5 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investments are classified as held for sale or distribution.

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Direct subsidiaries					
1.	Segari Energy Ventures Sdn. Bhd	Malaysia	**93.75**	93.75	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
2.	GB3 Sdn. Bhd.	Malaysia	**75**	75	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
3.	Prai Power Sdn. Bhd.	Malaysia	**100**	100	Design, construction, operation and maintenance of a combined cycle power plant, generation and sale of electrical energy and generating capacity of the power plant
4.	Tanjung Bin Power Sdn. Bhd.	Malaysia	**90**	90	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 2,100 MW coal-fired electricity generating facility and sale of electrical energy and generating capacity of the power plant
5.	Hypergantic Sdn. Bhd.	Malaysia	**100**	100	Investment holding
6.	Tanjung Bin Energy Sdn. Bhd.	Malaysia	**100**	100	Design, engineering, procurement, construction, installation and commissioning, testing, operation and maintenance of a 1,000 MW coal-fired electricity generating facility
7.	Malakoff Technical Solutions Sdn. Bhd.	Malaysia	**100**	100	Investment holding company and provision of operation and maintenance and any related services
8.	Malakoff Utilities Sdn. Bhd.	Malaysia	**100**	100	Build, own and operate an electricity distribution system and a centralised chilled water plant system

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Direct subsidiaries (continued)					
9.	Malakoff Engineering Sdn. Bhd.	Malaysia	**100**	100	Provision of engineering and project management services
10.	Spring Assets Limited	British Virgin Islands	**100**	100	Dormant
11.	Malakoff Capital (L) Limited	Federal Territory of Labuan, Malaysia	**100**	100	Dormant
12.	Malakoff International Limited	Cayman Islands	**100**	100	Offshore – Investment holding
13.	Tuah Utama Sdn. Bhd.	Malaysia	**100**	100	Investment holding
14.	Desa Kilat Sdn. Bhd.	Malaysia	**54**	54	Land reclamation, development and/or sale of reclaimed land
15.	Malakoff Power Berhad	Malaysia	**100**	100	Operation and maintenance of power plants
16.	Malakoff R&D Sdn. Bhd.	Malaysia	**100**	100	Promoting, developing, acquiring and enhancing the Group's capacity and innovation in the energy business
17.	Tunas Pancar Sdn. Bhd.	Malaysia	**100**	100	Investment holding
18.	Malakoff Solar Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining solar photovoltaic projects
19.	Radiant Summit Global Limited*	British Virgin Islands	**100**	100	Investment holding
20.	Yan Energy Ventures Sdn. Bhd.	Malaysia	**100**	100	Developing, financing, constructing, operating and maintaining power plant project(s)
21.	PDP Gen Two Sdn. Bhd.	Malaysia	**65**	65	Developing, financing, constructing, operating and maintaining power plant project(s)

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Direct subsidiaries (continued)					
22.	SegariGen2 Ventures Sdn. Bhd.[(i)]	Malaysia	**70**	-	Developing, financing, constructing, operating and maintaining power plant project(s)
23.	ZEC Solar Sdn. Bhd.[(iv)] ("ZEC Solar")	Malaysia	**100**	49	Construction, operation, maintenance and sale of the solar photovoltaic energy
24.	Malakoff Silver Solar Sdn. Bhd.[(ii)]	Malaysia	**80**	-	Developing, financing, constructing, operating and maintaining solar photovoltaic project(s)
25.	Sungai Udang WTE Sdn. Bhd. (formally known as Southern Biogas Sdn. Bhd.)	Malaysia	**98.9**[ø]	100[ø]	Developing, operating and maintaining power plant project
Indirect subsidiaries					
Held through Tanjung Bin Energy Sdn. Bhd.					
26.	Tanjung Bin Energy Issuer Berhad	Malaysia	**100**	100	Administer and manage the development of a 1,000 MW coal-fired electricity generating facility
Held through Malakoff Technical Solutions Sdn. Bhd.					
27.	Natural Analysis Sdn. Bhd.[∞]	Malaysia	**-**	100	Dormant
28.	TJSB Services Sdn. Bhd.	Malaysia	**100**	100	Provision of maintenance, repair and overhaul and any related services to power plants and any other plants of similar main and auxiliary operating systems
29.	TJSB International Limited	Cayman Islands	**100**	100	Offshore – Investment holding
30.	TJSB Global Sdn. Bhd.	Malaysia	**100**	100	Investment holding
31.	PT. Teknik Janakuasa[^]	Indonesia	**95**	95	Provision of operation and maintenance services to power plant and/or other utility plants

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Indirect subsidiaries (continued)					
Held through Malakoff Technical Solutions Sdn. Bhd. (continued)					
32.	Rising O&M Engineering Services Sdn. Bhd.	Malaysia	**70**	70	Provision of operations and maintenance services to renewable energy producer and developer and its related activities
33.	TJZ Suria Sdn. Bhd.[(iv)] ("TJZ Suria")	Malaysia	**100**	51	Provision of operations, maintenance and repair services of a solar photovoltaic energy generating facility ("Facility") and the associated transmission line and facilities for the development and operation of the Facility
Held through TJSB International Limited					
34.	TJSB International (Shoaiba) Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
35.	TJSB Middle East Limited	British Virgin Islands	**100**	100	Operation and maintenance services for power plants
Held through Malakoff Engineering Sdn. Bhd.					
36.	MESB Project Management Sdn. Bhd.*	Malaysia	**100**	100	Dormant
Held through Malakoff International Limited					
37.	Malakoff Gulf Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
38.	Malakoff Technical (Dhofar) Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
39.	Malakoff AlDjazair Desal Sdn. Bhd.	Malaysia	**100**	100	Investment holding
40.	Malakoff Oman Desalination Company Limited	British Virgin Islands	**100**	100	Offshore – Investment holding
41.	Malakoff Hidd Holding Company Limited	Guernsey	**100**	100	Asset, property, investment, intellectual property and other holding companies
42.	Pacific Goldtree Sdn. Bhd.	Malaysia	**100**	100	Investment holding

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
	Indirect subsidiaries (continued)				
	Held through Tuah Utama Sdn. Bhd.				
43.	Green Biogas Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining biogas power plant project
44.	Malakoff Radiance Sdn. Bhd.	Malaysia	**100**	100	Developing, operating and maintaining rooftop solar projects
45.	RP Hydro (Kelantan) Sdn. Bhd.	Malaysia	**70**	70	Developing, financing, operating and maintaining of hydropower and renewable energy projects
46.	Malakoff Evergreen Sdn. Bhd.(iii)	Malaysia	**70**	-	Operation of generation facilities that produce electric energy
	Held through Malakoff AlDjazair Desal Sdn. Bhd.				
47.	Tlemcen Desalination Investment Company SAS*	France	**70**	70	Offshore – Investment holding
	Held through Malakoff Hidd Holding Company Limited				
48.	Malakoff Summit Hidd Holding Company Limited	Guernsey	**57.14**	57.14	Asset, property, investment, intellectual property and other holding companies
	Held through Malakoff Power Berhad				
49.	Tanjung Bin O&M Berhad	Malaysia	**100**	100	Operation and maintenance of power plant
50.	PDP O&M Sdn. Bhd.#	Malaysia	**-**	100	Operation and maintenance of power plant
	Held through Hypergantic Sdn. Bhd.				
51.	Port Dickson Power Berhad	Malaysia	**100**	100	Independent power producer licensed by the Government to supply electricity exclusively to Tenaga Nasional Berhad
	Held through Pacific Goldtree Sdn. Bhd.				
52.	Skyfirst Power Sdn. Bhd.	Malaysia	**100**	100	Investment holding
	Held through Tunas Pancar Sdn. Bhd.				
53.	Alam Flora Sdn. Bhd.	Malaysia	**97.37**	97.37	Provision of integrated solid waste collection and public cleansing management services
54.	Genesis Facility Solutions Sdn. Bhd.	Malaysia	**100**	100	Facility management

7. Investments in subsidiaries (continued)

Details of subsidiaries are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
	Indirect subsidiaries (continued)				
	Held through Alam Flora Sdn. Bhd.				
55.	Alam Flora Environmental Solutions Sdn. Bhd.	Malaysia	**97.37**	97.37	Provision of integrated solid waste management services, recycling and integrated facility management services
	Held through Malakoff Gulf Limited				
56.	Desaru Investments (Cayman Isl.) Limited*	Cayman Islands	**100**	100	Offshore – Investment holding
57.	Malaysian Shoaiba Consortium Sdn. Bhd.	Malaysia	**80**+	80+	Investment holding

^ Not audited by member firms of KPMG International

\+ Represents 40% interest held through Malakoff Gulf Limited and 40% interest held through Desaru Investments (Cayman Isl.) Limited, a wholly-owned subsidiary of Malakoff Gulf Limited

Ø In 2024, 100% interest was held by Tuah Utama Sdn. Bhd., a wholly-owned subsidiary of the Company. In 2025, it represents 60% interest held by the Company and 38.9% interest held through Alam Flora Environmental Solutions Sdn. Bhd.

* No requirement to be audited

∞ Liquidated on 31 October 2025

\# Liquidated on 28 March 2025

(i) On 20 March 2025, SegariGen2 Ventures Sdn. Bhd. was incorporated with an issued and paid-up share capital of RM100, comprising 100 ordinary shares, of which the Company holds 70% equity interest whilst a third party holds 30% equity interest, respectively.

(ii) On 18 September 2025, Malakoff Silver Solar Sdn. Bhd. was incorporated with an issued and paid-up share capital of RM10, comprising 10 ordinary shares, of which the Company holds 80% equity interest whilst a third party holds 20% equity interest, respectively.

(iii) On 30 September 2025, Malakoff Evergreen Sdn. Bhd. was incorporated with an issued and paid-up share capital of RM1,000, comprising 1,000 ordinary shares, of which Tuah Utama Sdn. Bhd., a wholly-owned subsidiary, holds 70% equity interest whilst a third party holds 30% equity interest, respectively.

(iv) In 2024, ZEC Solar and TJZ Suria, were joint ventures of the Company with 49% and 51% shareholdings, respectively. On 31 January 2025, the Company completed the acquisition of the remaining equity interests in ZEC Solar and TJZ Suria for a total consideration of RM29,000,000 from Zelleco Engineering Sdn. Bhd. ("Zelleco"). Following the completion of the acquisition, both ZEC Solar and TJZ Suria became wholly-owned subsidiaries of the Company.

7. Investments in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

Group	Tanjung Bin Power Sdn. Bhd. RM'000	Malaysian Shoaiba Consortium Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2025				
NCI percentage of ownership interest and voting interest	**10%**	**20%**		
Carrying amount of NCI	**171,443**	**32,311**	**46,489**	**250,243**
Profit/(Loss) allocated to NCI	**39,889**	**(671)**	**(3,784)**	**35,434**
Summarised financial information before intra-group eliminations				
As at 31 December				
Non-current assets	**3,720,880**	**454,845**		
Current assets	**1,844,674**	**7,129**		
Non-current liabilities	**(2,811,429)**	**-**		
Current liabilities	**(1,039,694)**	**(64)**		
Net assets	**1,714,431**	**461,910**		
Year ended 31 December				
Revenue	**4,005,743**	**26,998**		
Profit for the year	**398,891**	**23,644**		
Total comprehensive income	**398,891**	**23,644**		
Cash flows from/(used in) operating activities	**658,689**	**(3,822)**		
Cash flows (used in)/from investing activities	**(114,484)**	**27,227**		
Cash flows used in financing activities	**(579,194)**	**(53,400)**		
Net decrease in cash and cash equivalents	**(34,989)**	**(29,995)**		
Dividends paid to NCI	**(10,450)**	**(10,680)**	**(2,350)**	**(23,480)**

7. Investments in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

Group	Tanjung Bin Power Sdn. Bhd. RM'000	Malaysian Shoaiba Consortium Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2024				
NCI percentage of ownership interest and voting interest	10%	20%		
Carrying amount of NCI	142,004	43,662	52,623	238,289
Profit/(Loss) allocated to NCI	46,564	(875)	(3,789)	41,900
Summarised financial information before intra-group eliminations				
As at 31 December				
Non-current assets	3,958,383	454,845		
Current assets	2,536,451	38,317		
Non-current liabilities	(3,425,429)	-		
Current liabilities	(1,649,370)	(1,496)		
Net assets	1,420,035	491,666		
Year ended 31 December				
Revenue	4,726,124	98,177		
Profit for the year	465,637	93,801		
Total comprehensive income	465,637	93,801		
Cash flows from/(used in) operating activities	577,773	(2,170)		
Cash flows (used in)/from investing activities	(213,911)	97,380		
Cash flows used in financing activities	(636,674)	(208,900)		
Net decrease in cash and cash equivalents	(272,812)	(113,690)		
Dividends paid to NCI	(16,500)	(41,780)	(2,433)	(60,713)

8. Investments in associates

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
At cost					
Quoted shares:					
- outside Malaysia		**67,048**	67,048	**-**	-
Unquoted shares:					
- in Malaysia		**523,727**	471,258	**1,112,228**	1,112,228
- outside Malaysia		**553**	553	**-**	-
Redeemable preference shares		**307,430**	307,430	**307,430**	307,430
Capital contribution	8.1	**215,353**	215,353	**215,353**	215,353
Pre-acquisition reserves		**100,641**	100,592	**-**	-
Share of post-acquisition reserves		**(57,431)**	(65,654)	**-**	-
		1,157,321	1,096,580	**1,635,011**	1,635,011
Add: Intangible assets					
Goodwill		**399,146**	399,146	**-**	-
Interest over PPA and PWPA		**939,073**	939,073	**-**	-
Acquired through business combination					
- Goodwill	39	**40,016**	-	**-**	-
- Interest over SCA	39	**25,967**	-	**-**	-
		1,404,202	1,338,219	**-**	-
Less: Amortisation of intangible assets					
At 1 January		**(409,570)**	(404,317)	**-**	-
Amortisation for the year		**(7,796)**	(5,253)	**-**	-
At 31 December		**(417,366)**	(409,570)	**-**	-
Less: Accumulated impairment loss					
At 1 January		**(1,431,841)**	(1,419,357)	**(1,419,658)**	(1,419,658)
Impairment loss for the year		**-**	(37,527)	**(31,771)**	-
Reversal of impairment loss during the year		**-**	25,043	**-**	-
		-	(12,484)	**(31,771)**	-
At 31 December		**(1,431,841)**	(1,431,841)	**(1,451,429)**	(1,419,658)
		712,316	593,388	**183,582**	215,353
Fair value of quoted shares					
Level 1		**47,481**	38,167	**-**	-

8. Investments in associates (continued)

8.1 Capital contribution to an associate, Kapar Energy Ventures Sdn. Bhd. ("KEV") is considered as a long-term source of capital to the associate, in which any repayment of the amount is solely at the discretion of the associate. These contributions are accounted for as the Group and the Company's net shareholders' investments in its associate and are stated at cost less impairment loss, if any.

During the financial year, the Group has performed an impairment assessment and the recoverable amount of KEV based on its value in use is RM183,582,000, which approximates its carrying amount. As such, no impairment loss is required to be recognised at Group level. At Company level, an impairment loss of RM31,771,000 has been recognised.

8.2 Material accounting policy information

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses.

Details of associates are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	Effective ownership interest and voting interest (%) 2024	Principal activities
Direct associate					
1.	Kapar Energy Ventures Sdn. Bhd.	Malaysia	**40**	40	Generation and sale of electricity
Indirect associates					
2.	Oman Technical Partners Limited	British Virgin Islands	**43.48**	43.48	Offshore - Investment holding
3.	Al-Imtiaz Operation and Maintenance Company Limited	Kingdom of Saudi Arabia	**40**	40	Implementation of operation and maintenance contracts for stations of electrical power generation and water desalination
4.	Hyflux-TJSB Algeria SPA	Algeria	**49**	49	Operation and maintenance of water desalination plant
5.	Hidd Power Company B.S.C. (c)	Bahrain	**40**	40	Building, operation and maintenance of power and water stations for special purposes (specific supply only)
6.	Muscat City Desalination Company S.A.O.G	Sultanate of Oman	**32.5**	32.5	Generation and sale of desalinated water
7.	Saudi-Malaysia Operation & Maintenance Services Company Limited	Kingdom of Saudi Arabia	**20**	20	Operation and maintenance of power and water desalination plant

8. Investments in associates (continued)

Details of associates are as follows (continued):

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Indirect associates (continued)					
8.	E-Idaman Sdn. Bhd. ^	Malaysia	**49**	-	Investment holding and the provision of project management, consultancy and contracting services in the field of solid waste management

^ On 28 February 2025, Tuah Utama Sdn. Bhd., a wholly-owned subsidiary of the Group completed the acquisition of 49,000 ordinary shares representing 49% equity interest in E-Idaman Sdn. Bhd. (Note 39)

Nature of relationship with the Group

The associates provide the Group with strategic access to power generation and solid waste management industry in Malaysia as well as power and water desalination industry in the Middle East and North Africa region.

Summarised financial information

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates.

Group 2025	Kapar Energy Ventures Sdn. Bhd. 40% RM'000	Hidd Power Company B.S.C. (c) 40% RM'000	Muscat City Desalination Company S.A.O.G 32.5% RM'000	E-Idaman Sdn. Bhd. 49% RM'000
Summarised financial information				
As at 31 December				
Non-current assets	**831,966**	**1,195,794**	**812,067**	**53,852**
Current assets	**1,703,948**	**310,776**	**41,990**	**145,278**
Non-current liabilities	**(17,580)**	**(367,374)**	**(517,113)**	**(15,617)**
Current liabilities	**(1,054,587)**	**(30,961)**	**(67,971)**	**(48,899)**
Net assets/(liabilities)	**1,463,747**	**(1,108,235)**	**268,973**	**134,614**
Year ended 31 December				
(Loss)/Profit for the year/period	**(79,430)**	**98,246**	**27,218**	**24,432**
Other comprehensive income/(expense)	**-**	**2,848**	**(10,639)**	**-**
Total comprehensive (expense)/income	**(79,430)**	**101,094**	**16,579**	**24,432**
Included in the total comprehensive (expense)/income are:				
Revenue	**2,875,809**	**1,756,978**	**195,027**	**281,002**
Depreciation and amortisation	**(1,912)**	**(380,025)**	**(28,499)**	**(11,248)**
Finance costs	**(24,035)**	**-**	**(26,806)**	**(793)**
Tax expense	**11,501**	**-**	**(5,758)**	**(10,688)**

8. Investments in associates (continued)

Group 2025	Kapar Energy Ventures Sdn. Bhd. RM'000	Hidd Power Company B.S.C. (c) RM'000	Muscat City Desalination Company S.A.O.G RM'000	E-Idaman Sdn. Bhd. RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount						
As at 31 December						
Group's share of net assets, after consolidation adjustments	**1,177,430**	**775,685**	**81,682**	**113,214**	**(3,854)**	**2,144,157**
Less: Accumulated impairment loss	**(993,849)**	**(437,992)**	**-**	**-**	**-**	**(1,431,841)**
Carrying amount in the statements of financial position	**183,581**	**337,693**	**81,682**	**113,214**	**(3,854)**	**712,316**
Group's share of results, after consolidation adjustments						
Year ended 31 December						
Group's share of (loss)/profit for the year	**(31,772)**	**39,298**	**8,746**	**11,972**	**660**	**28,904**
Group's share of other comprehensive income/(expense)	**-**	**1,139**	**(3,458)**	**-**	**-**	**(2,319)**
Group's share of total comprehensive (expense)/income	**(31,772)**	**40,437**	**5,288**	**11,972**	**660**	**26,585**
Other information						
Dividends received	**-**	**-**	**(2,895)**	**(14,700)**	**(767)**	**(18,362)**

8. Investments in associates (continued)

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates (continued).

Group 2024	Kapar Energy Ventures Sdn. Bhd. 40% RM'000	Hidd Power Company B.S.C. (c) 40% RM'000	Muscat City Desalination Company S.A.O.G 32.5% RM'000
Summarised financial information			
As at 31 December			
Non-current assets	1,047,487	1,686,485	931,878
Current assets	1,776,836	315,863	46,835
Non-current liabilities	(130,179)	(538,073)	(617,345)
Current liabilities	(1,151,235)	(348,431)	(74,457)
Net assets	1,542,909	1,115,844	286,911
Year ended 31 December			
(Loss)/Profit for the year	(62,607)	93,813	30,258
Other comprehensive income	-	5,390	2,909
Total comprehensive (expense)/income	(62,607)	99,203	33,167
Included in the total comprehensive (expense)/income are:			
Revenue	3,140,589	1,872,375	216,368
Depreciation and amortisation	(1,569)	(421,345)	(30,400)
Finance costs	(36,765)	(74,952)	(31,529)
Tax expense	(4,668)	-	(4,932)

8. Investments in associates (continued)

The following table summarises the information of the Group's material associates, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the associates (continued).

Group 2024	Kapar Energy Ventures Sdn. Bhd. RM'000	Hidd Power Company B.S.C. (c) RM'000	Muscat City Desalination Company S.A.O.G RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount					
As at 31 December					
Group's share of net assets, after consolidation adjustments	1,209,202	740,486	79,284	(3,743)	2,025,229
Less: Accumulated impairment loss	(993,849)	(437,992)	-	-	(1,431,841)
Carrying amount in the statements of financial position	215,353	302,494	79,284	(3,743)	593,388
Group's share of results, after consolidation adjustments					
Year ended 31 December					
Group's share of (loss)/profit for the year	(25,043)	37,525	9,834	2,461	24,777
Group's share of other comprehensive income	-	2,156	945	-	3,101
Group's share of total comprehensive (expense)/income	(25,043)	39,681	10,779	2,461	27,878
Other information					
Dividends received	-	-	(2,964)	-	(2,964)

9. Investments in joint ventures

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At cost				
Unquoted shares:				
- in Malaysia	**1,020**	22,586	**-**	21,515
- outside Malaysia	**432,466**	432,466	**-**	-
Pre-acquisition reserves	**317,528**	317,731	**-**	-
Share of post-acquisition reserves	**(68,306)**	(95,950)	**-**	-
	682,708	676,833	**-**	21,515
Add: Intangible assets				
At 1 January/31 December	**66,500**	66,500	**-**	-
Less: Amortisation of intangible assets				
At 1 January	**(34,222)**	(27,801)	**-**	-
Amortisation for the year	**(6,403)**	(6,421)	**-**	-
At 31 December	**(40,625)**	(34,222)	**-**	-
	708,583	709,111	**-**	21,515

9.1 Material accounting policy information

Investments in joint ventures are measured in the Company's statement of financial position at cost less any impairment losses.

9. Investments in joint ventures (continued)

Details of joint ventures are as follows:

No.	Name of entities	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest (%) 2025	2024	Principal activities
Indirect joint ventures					
1.	Malakoff Gas Malaysia Cogen O&M Sdn. Bhd.	Malaysia	**51**	51	Developing, marketing, and providing operation and maintenance services for cogeneration plants in Malaysia
2.	Almiyah Attilemcania SPA	Algeria	**35.7**	35.7	Construction, operation and maintenance of a desalination plant and marketing of desalinated water produced
3.	Saudi-Malaysia Water & Electricity Company Limited ("SAMAWEC")	Kingdom of Saudi Arabia	**40**	40	Offshore – Investment holding
4.	Muscat City Desalination Operation and Maintenance Company LLC	Sultanate of Oman	**50**	50	Operation and maintenance of pump stations and pipelines, installation and repair of electric Company LLC power and transformer plants and telecommunications and radar plants, export and import offices, and laying and maintenance of all kinds of pipes, business agencies (excluding portfolio and securities) and wholesale of industrial chemicals
Associates held by SAMAWEC					
5.	Shuaibah Water & Electricity Company Limited	Kingdom of Saudi Arabia	**24**	24	Design, construction, commissioning, testing, possession, operation and maintenance of crude oil-fired power generation and water desalination plant
6.	Shuaibah Expansion Holding Company Limited	Kingdom of Saudi Arabia	**24**	24	Development, construction, ownership, operation and maintenance of the Shuaibah Phase 3 Expansion independent water producer ("IWP"), transport and sale of water and undertake all works and activities related thereto, directly or through another company holding most of its shares or stock
7.	Shuaibah Expansion Project Company Limited	Kingdom of Saudi Arabia	**23.8**	23.8	Development, construction, possession, operation and maintenance of the Shuaibah Phase 3 Expansion IWP, transfer and sell water and all relevant works and activities

9. Investments in joint ventures (continued)

Nature of relationship with the Group

The joint ventures provide the Group with strategic access to renewable energy, power generation and water desalination industry in Malaysia, the Middle East and North Africa region.

Although the Group does not hold 50% of effective ownership interest and voting interest in most of the joint ventures, the Group has accounted for the investments in these entities as joint ventures because based on the joint venture agreements, the key decisions related to these entities require unanimous consent from all shareholders.

Summarised financial information

The following table summarises the information of the Group's material joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the joint ventures.

	SAMAWEC	
	2025	**2024**
	RM'000	**RM'000**
Summarised financial information		
As at 31 December		
Non-current assets	**4,095,117**	5,330,931
Current assets	**1,010,776**	631,978
Non-current liabilities	**(954,391)**	(1,840,242)
Current liabilities	**(1,202,199)**	(820,318)
Net assets	**2,949,303**	3,302,349
Cash and cash equivalents	**745,512**	327,176
Non-current financial liabilities (excluding trade and other payables and provisions)	**(894,560)**	(1,774,783)
Current financial liabilities (excluding trade and other payables and provisions)	**(636,581)**	(633,340)
Year ended 31 December		
Profit for the year	**277,574**	352,370
Other comprehensive expense	**(14,962)**	(22,110)
Total comprehensive income	**262,612**	330,260
Included in the total comprehensive income are:		
Revenue	**664,940**	864,360
Depreciation and amortisation	**(33,390)**	(35,635)
Interest expense	**(124,849)**	(174,875)
Income tax expense	**(18,148)**	(22,932)

9. Investments in joint ventures (continued)

The following table summarises the information of the Group's material joint ventures, adjusted for any differences in the accounting policies and reconciles the information to the carrying amount of the Group's interests in the joint ventures (continued).

Group	SAMAWEC RM'000	Other individually immaterial joint ventures RM'000	Total RM'000
2025			
Reconciliation of net assets to carrying amount			
As at 31 December			
Group's share of net assets, after consolidation adjustments	**704,082**	**4,501**	**708,583**
Carrying amount in the statements of financial position	**704,082**	**4,501**	**708,583**
Group's share of results, after consolidation adjustments			
Year ended 31 December			
Group's share of profit for the year	**59,922**	**7,385**	**67,307**
Group's share of other comprehensive expense	**(3,589)**	**-**	**(3,589)**
Group's share of total comprehensive income	**56,333**	**7,385**	**63,718**
Other information			
Dividends received	**(26,998)**	**(9,646)**	**(36,644)**
2024			
Reconciliation of net assets to carrying amount			
As at 31 December			
Group's share of net assets, after consolidation adjustments	681,150	27,961	709,111
Carrying amount in the statements of financial position	681,150	27,961	709,111
Group's share of results, after consolidation adjustments			
Year ended 31 December			
Group's share of profit for the year	72,464	12,502	84,966
Group's share of other comprehensive expense	(5,319)	-	(5,319)
Group's share of total comprehensive income	67,145	12,502	79,647
Other information			
Dividends received	(98,177)	(11,037)	(109,214)

10. Derivative financial assets

	2025			2024		
	Nominal value RM'000	Assets RM'000	Liabilities RM'000	Nominal value RM'000	Assets RM'000	Liabilities RM'000
Group						
Current						
Derivatives used for hedging						
- Cross currency interest rate swaps	-	-	-	58,494	24,493	-

Cross currency interest rate swaps were used to achieve an appropriate mix of fixed and floating interest rates exposure within the Group's policy. The Group entered into cross currency interest rate swaps to hedge its interest rate and foreign exchange risks. The cross currency interest rate swaps were entered into for a period of 15 years and expired on 28 February 2025.

11. Trade and other receivables

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current					
Deferred expenses	11.1	**1,926**	5,779	**-**	-
Other assets		**50**	50	**-**	-
		1,976	5,829	**-**	-
Current					
Trade					
Trade receivables		**363,901**	1,287,228	**-**	-
Non-trade					
Deferred expenses	11.1	**3,853**	2,227	-	-
Amounts due from subsidiaries	11.3	**-**	-	**1,506,764**	1,364,566
Amounts due from associates	11.3	**14,225**	1,419	**163**	82
Amounts due from related parties	11.3	**8,061**	38,647	**3,054**	1,639
Amounts due from joint ventures	11.3	**226**	1,421	**-**	816
Amounts due from related companies	11.3	**-**	-	**31**	76
Other receivables	11.2	**221,691**	81,398	**964**	1,000
Deposits and prepayments		**159,822**	123,833	**37,133**	6,454
		407,878	248,945	**1,548,109**	1,374,633
		771,779	1,536,173	**1,548,109**	1,374,633
		773,755	1,542,002	**1,548,109**	1,374,633

11. Trade and other receivables (continued)

11.1 Deferred expenses comprise the difference between capacity payments received from Tenaga Nasional Berhad and capacity payments recognised in profit or loss in relation to the PPA. The amount is recognised in profit or loss on a straight-line basis over the term of the PPA.

11.2 Included in other receivables of the Group are receivables for insurance claims made during the year related to business interruptions of coal-fired power plants amounting to RM136,871,000 (2024: Nil).

11.3 Amounts due from subsidiaries, associates, related parties, joint ventures and related companies

Amounts due from subsidiaries, associates, related parties, joint ventures and related companies are unsecured, interest free and repayable on demand, except for the following balances which are subject to interest:

	2025 RM'000	2024 RM'000
Group		
Amounts due from associates	**12,379**	-
Interest rate per annum	**2%**	-
Company		
Amounts due from subsidiaries	**1,007,829**	881,095
Interest rate per annum	**4.6% - 5.5%**	5.05% - 5.9%

11.4 Offsetting of financial assets and financial liabilities

The following table provides information of financial assets and liabilities that have been set off for presentation purpose:

	Note	Gross amount RM'000	Balances that are set off RM'000	Net carrying amount in the statements of financial position RM'000
Company				
2025				
Amounts due from subsidiaries		**1,761,582**	**(254,818)**	**1,506,764**
Amounts due to subsidiaries	**24**	**(1,484,318)**	**254,818**	**(1,229,500)**
2024				
Amounts due from subsidiaries		1,608,749	(244,183)	1,364,566
Amounts due to subsidiaries	24	(1,238,584)	244,183	(994,401)

The Company's amounts due from and due to subsidiaries are set off for presentation purposes because they have enforceable right to set off and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

12. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) are attributable to the following:

	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Group						
Property, plant and equipment	**-**	-	**(1,900,086)**	(2,033,495)	**(1,900,086)**	(2,033,495)
Lease liabilities	**20,485**	1,128	**-**	-	**20,485**	1,128
Right-of-use assets	**-**	-	**(18,228)**	(8,138)	**(18,228)**	(8,138)
Investment properties	**-**	-	**(90)**	(305)	**(90)**	(305)
Concession assets	**-**	-	**(38,743)**	(24,378)	**(38,743)**	(24,378)
Provisions	**148,645**	129,032	**-**	-	**148,645**	129,032
Intangible assets	**-**	-	**(336,039)**	(391,821)	**(336,039)**	(391,821)
Unutilised tax losses	**38,751**	44,040	**-**	-	**38,751**	44,040
Unutilised capital allowances	**1,000,145**	1,032,588	**-**	-	**1,000,145**	1,032,588
Deferred income	**597,386**	645,361	**-**	-	**597,386**	645,361
Others	**269**	1,348	**-**	-	**269**	1,348
Tax assets/(liabilities)	**1,805,681**	1,853,497	**(2,293,186)**	(2,458,137)	**(487,505)**	(604,640)
Set-off of tax	**(1,477,164)**	(1,565,515)	**1,477,164**	1,565,515	**-**	-
Net tax assets/(liabilities)	**328,517**	287,982	**(816,022)**	(892,622)	**(487,505)**	(604,640)
Company						
Property, plant and equipment	**-**	-	**(1,425)**	(1,079)	**(1,425)**	(1,079)
Right-of-use assets	**-**	-	**(1,715)**	(2,814)	**(1,715)**	(2,814)
Lease liabilities	**1,830**	2,927	**-**	-	**1,830**	2,927
Tax assets/(liabilities)	**1,830**	2,927	**(3,140)**	(3,893)	**(1,310)**	(966)
Set-off of tax	**(1,830)**	(2,927)	**1,830**	2,927	**-**	-
Net tax liabilities	**-**	-	**(1,310)**	(966)	**(1,310)**	(966)

12. Deferred tax assets/(liabilities) (continued)

Movement in temporary differences during the year

	At 1.1.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	Recognised in other comprehensive income (Note 30) RM'000	Transfer to disposal group held for sale (Note 16) RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss (Note 28) RM'000	Arising from business combination (Note 39) RM'000	Transfer from disposal group held for sale (Note 16) RM'000	At 31.12.2025 RM'000
Group									
Property, plant and equipment	(2,132,984)	92,195	-	7,294	**(2,033,495)**	140,707	(4)	(7,294)	**(1,900,086)**
Lease liabilities	4,494	(3,229)	-	(137)	**1,128**	19,220	-	137	**20,485**
Right-of-use assets	(10,835)	2,561	-	136	**(8,138)**	(9,954)	-	(136)	**(18,228)**
Investment properties	(315)	10	-	-	**(305)**	215	-	-	**(90)**
Concession assets	(25,868)	1,490	-	-	**(24,378)**	(14,365)	-	-	**(38,743)**
Provisions	130,087	(267)	110	(898)	**129,032**	18,715	-	898	**148,645**
Intangible assets	(450,311)	58,490	-	-	**(391,821)**	55,782	-	-	**(336,039)**
Unutilised tax losses	103,528	(59,488)	-	-	**44,040**	(5,289)	-	-	**38,751**
Unutilised capital allowances	1,110,247	(77,659)	-	-	**1,032,588**	(32,443)	-	-	**1,000,145**
Deferred income	697,303	(51,942)	-	-	**645,361**	(47,975)	-	-	**597,386**
Others	180	1,168	-	-	**1,348**	(1,079)	-	-	**269**
Net tax liabilities	(574,474)	(36,671)	110	6,395	**(604,640)**	123,534	(4)	(6,395)	**(487,505)**
Company									
Property, plant and equipment	(1,147)	68	-	-	**(1,079)**	(346)	-	-	**(1,425)**
Right-of-use assets	(1,024)	(1,790)	-	-	**(2,814)**	1,099	-	-	**(1,715)**
Lease liabilities	1,069	1,858	-	-	**2,927**	(1,097)	-	-	**1,830**
Net tax liabilities	(1,102)	136	-	-	**(966)**	(344)	-	-	**(1,310)**

12. Deferred tax assets/(liabilities) (continued)

12.1 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2025 RM'000	**2024 RM'000**
Unutilised tax losses	**314,777**	152,665
Other deductible temporary differences	**276,606**	266,806
	591,383	419,471
Tax at 24% (2024: 24%)	**141,932**	100,673

In accordance with the provision of the Finance Act 2021, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year, will be disregarded. Deferred tax assets have not been recognised in respect of this item because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits.

Tax losses for which no deferred tax asset was recognised expire as follows:

	Group	
Expiring in	**2025 RM'000**	**2024 RM'000**
Year of assessment 2028	**121,926**	121,926
Year of assessment 2029	**10,511**	10,511
Year of assessment 2030	**434**	434
Year of assessment 2031	**4,755**	4,755
Year of assessment 2032	**6,523**	6,523
Year of assessment 2033	**8,516**	8,516
Year of assessment 2034	**4,403**	-
Year of assessment 2035	**157,709**	-
	314,777	152,665

12.2 Global minimum top-up tax

Malaysia implemented the Global Minimum Tax effective 1 January 2025. Global Minimum Tax is applicable to multinational enterprise ("MNEs") with an annual global turnover of at least EUR750 million in at least two out of four immediately preceding fiscal years and aims to ensure that in-scope MNEs are subject to an effective tax rate of at least 15% in each of the jurisdictions in which they operate.

Based on the Group's assessment of the effective tax rates in the jurisdictions in which it operates, the Group currently does not expect the implementation of the Global Minimum Tax to give rise to a material top-up tax liability. The Group will continue to monitor developments and assess the potential impact as the legislation becomes effective in the relevant jurisdictions.

12. Deferred tax assets/(liabilities) (continued)

12.3 Temporary mandatory relief from deferred tax accounting

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

12.4 Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

13. Inventories

	Group	
	2025 RM'000	**2024 RM'000**
Consumables	**508,097**	440,370
Coal	**425,460**	525,227
Diesel fuel	**58,516**	71,932
	992,073	1,037,529
Recognised in profit or loss:		
Inventories recognised as cost of sales	**4,067,798**	5,144,859
Reversal for diminution in value of consumables*	**(12,375)**	(2,061)

* The reversal for diminution in value of consumables is included in cost of sales.

13.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

14. Other investments

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Investment in Redeemable Cumulative Convertible Preference Shares ("RCCPS")	14.1	**-**	2,484	**2,484**	2,484
Deposits with licensed banks and other licensed corporations with maturity more than 3 months					
– amortised cost		**462,904**	716,785	**-**	-
– fair value through profit or loss		**130,944**	111,923	**-**	-
	14.2	**593,848**	828,708	**2,484**	2,484
		593,848	831,192	**2,484**	2,484

14.1 The RCCPS is issued by ZEC Solar, a joint venture in the previous year. In January 2025, ZEC Solar became a wholly-owned subsidiary of the Company following completion of acquisition of the remaining 51% equity interest.

As of 31 December 2025, the Company intends to redeem the RCCPS within 12 months after the end of reporting period. As such, the RCCPS is classified as current assets.

14.2 Included in other investments of the Group is an amount of RM158,056,000 (2024: RM192,942,000) placed with a licensed bank and a licensed corporation which are related parties of the Group.

14.3 Material accounting policy information

Deposits with licensed banks and other licensed corporations

The Group classifies deposits with licensed banks and licensed corporations not held for working capital purpose that have a maturity of more than three (3) months as other investments.

15. Cash and cash equivalents

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Deposits with licensed banks and other licensed corporations with maturity less than 3 months	**772,572**	1,228,717	**20,000**	79,253
Cash and bank balances	**679,834**	171,255	**75,461**	14,371
Cash and cash equivalents in the statements of cash flows	**1,452,406**	1,399,972	**95,461**	93,624
Transfer to disposal group held for sale (Note 16)	**-**	(24,604)	**-**	-
Cash and cash equivalents in the statements of financial position	**1,452,406**	1,375,368	**95,461**	93,624

Included in cash and cash equivalents of the Group are RM593,848,000 (2024: RM815,450,000) that are placed in the designated accounts which are jointly operated with Securities Trustees in accordance with the trust deed of the Islamic financing facilities entered by the Group (see Note 19).

Included in cash and cash equivalents of the Group and of the Company are RM326,185,000 (2024: RM260,750,000) and RM9,600,000 (2024: RM882,000), respectively placed with a licensed bank and a licensed corporation which are related parties of the Group.

16. Disposal group held for sale

On 17 October 2024, the Directors had approved the proposed disposal of its electricity distribution and district cooling business, Malakoff Utilities Sdn. Bhd. ("MUSB"), a wholly-owned subsidiary of the Company. On 3 February 2025, the Company entered into a conditional Sale and Purchase Agreement ("SPA") with a third party, KJ Technical Services Sdn. Bhd. ("KJTS"), a wholly-owned subsidiary of KJTS Group Berhad for the proposed disposal of its entire 100% equity interest in MUSB for a total cash consideration of RM65,500,000. The transaction was expected to be completed by May 2025. Subsequently, the Company has agreed with KJTS to extend the completion date to 3 February 2026 to fulfill the outstanding conditions precedent under the SPA.

With the non-fulfilment of the conditions precedent under the SPA and lapse of SPA completion date, MUSB no longer meets the criteria of a disposal group held for sale.

As a result, the assets and related liabilities of MUSB previously presented as a disposal group held for sale as of 31 December 2024 have been reclassified to their respective statement of financial position line items.

16. Disposal group held for sale (continued)

In the previous financial year, the relevant assets and liabilities of MUSB were presented as a disposal group held for sale as follows:

Assets classified as held for sale

	Note	2024 RM'000
Property, plant and equipment	2	36,660
Right-of-use assets	3	577
Inventories		181
Trade and other receivables		23,271
Current tax assets		742
Cash and cash equivalents	15	24,604
Total assets		86,035

Liabilities classified as held for sale

	Note	2024 RM'000
Trade and other payables		(31,880)
Lease liabilities	19	(582)
Deferred tax liabilities	12	(6,395)
Total liabilities		(38,857)

17. Capital and reserves

Share capital

Group and Company	Number of shares 2025 '000	Amount 2025 RM'000	Number of shares 2024 '000	Amount 2024 RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 January/31 December	**5,000,000**	**5,693,055**	5,000,000	5,693,055

17. Capital and reserves (continued)

17.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

17.2 Treasury shares

In accordance with Section 127 of the Companies Act 2016, all repurchased shares of the Company are held as treasury shares. As at 31 December 2025, the total number of treasury shares held is 2.26% of the total number of issued shares of the Company.

Group and Company	Number of shares 2025 '000	Amount 2025 RM'000	Number of shares 2024 '000	Amount 2024 RM'000
Treasury shares				
At 1 January/31 December	**113,039**	**98,647**	113,039	98,647

17.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

17.4 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

18. Perpetual sukuk

Group	2025 RM'000	2024 RM'000
Nominal value		
At 1 January/31 December	**800,000**	800,000

In 2017, Tanjung Bin Energy Sdn. Bhd., a wholly-owned subsidiary of the Company had issued unrated perpetual sukuk of RM800 million in nominal value in accordance with Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah") with an unconditional and irrevocable subordinated cash deficiency support from the Company.

Details of the Sukuk Wakalah are as follows:

a) The perpetual sukuk has no fixed redemption date and the subsidiary has an option to redeem all or part of the perpetual sukuk at the end of the seventh year from date of issuance and thereafter on each subsequent periodic distribution date;

b) The perpetual sukuk is unsecured and carries a periodic distribution rate of 5.9% per annum, payable semi-annually from year 1 to year 7. Thereon, the periodic distribution rate shall be 1% above the prevailing periodic distribution rate which came into effect on 15 March 2024;

c) The subsidiary has the right to defer the payment of the periodic distribution amount by giving the required deferral notice. Deferred periodic distribution, if any, will be cumulative but will not earn additional profits thus, there will be no compounding effect; and

d) The holder of perpetual sukuk shall have no voting rights at any general meeting of the shareholders of the subsidiary.

Based on the underlying issuing terms, the perpetual sukuk has been classified as equity in the financial statements.

18.1 Material accounting policy information

Perpetual sukuk is classified as equity as there is no contractual obligation to redeem the instrument. The perpetual sukuk is redeemable only at the option of the Company's subsidiary. Profit distribution on perpetual sukuk is recognised in the consolidated statement of changes in equity in the period in which it is declared.

19. Loans and borrowings

	Note	2025 RM'000	2024 RM'000
Group			
Non-current			
Secured			
Sukuk Ijarah medium-term notes	19.1	**975,838**	1,312,221
Sukuk medium-term notes	19.2	**1,497,589**	1,314,202
Sukuk Wakalah	19.3.1	**105,000**	165,000
Sukuk Wakalah	19.3.2	**950,086**	949,696
Sukuk Murabahah	19.4	**2,965,000**	3,275,000
RM term loan	19.6	**63,175**	-
		6,556,688	7,016,119
Current			
Secured			
Sukuk Ijarah medium-term notes	19.1	**360,000**	360,000
Sukuk medium-term notes	19.2	**90,000**	145,100
Sukuk Wakalah	19.3.1	**60,000**	-
Sukuk Murabahah	19.4	**205,000**	135,000
Senior USD term loan	19.5	**-**	81,955
RM term loan	19.6	**9,447**	-
Unsecured			
Redeemable Preference Shares	19.7	**30,000**	30,000
Trade financing	19.8	**32,442**	-
		786,889	752,055
		7,343,577	7,768,174
Company			
Current			
Unsecured			
Trade financing	19.8	**32,442**	-

19.1 Sukuk Ijarah medium-term notes issued by Tanjung Bin Power Sdn. Bhd. ("TBP")

Security

The Sukuk Ijarah medium-term notes are secured over TBP's property, plant and equipment and right-of-use assets with a carrying amount of RM3,265,515,000 (2024: RM3,499,825,000) and RM22,112,000 (2024: RM25,957,000), respectively.

Significant covenant

TBP is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of at least 1.25 times.

19. Loans and borrowings (continued)

19.2 Sukuk medium-term notes issued by Malakoff Power Berhad ("MPB")

The Sukuk medium-term notes consist of Sukuk Murabahah and the ASEAN Sustainability Sustainable and Responsible Investment (SRI) Sukuk Murabahah Programme.

Security

The Sukuk medium-term notes are secured over an irrevocable and unconditional guarantee under the principle of Kafalah from the Company, and an assignment and charge over the designated accounts of the Company and MPB.

Significant covenant

The Company and MPB are required to maintain an aggregated debt-to-equity ratio not exceeding 1:1 and a Group debt-to-equity ratio not exceeding 5.5:1. In addition, the Company and MPB are required to maintain a finance service cover ratio of at least 1.50 times, for covenant related to ASEAN Sustainability SRI Sukuk.

19.3 Sukuk Wakalah issued by subsidiaries of the Company

19.3.1 Sukuk Wakalah issued by Tanjung Bin O&M Berhad ("TBOM")

Security

The Sukuk Wakalah is secured over the Operation and Maintenance Agreement, Sub Operation and Maintenance Agreement and Asset Sales Agreement held by TBOM and all the balances in TBOM's designated accounts.

Significant covenant

TBOM is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of at least 1.25 times.

19.3.2 Sukuk Wakalah issued by RP Hydro (Kelantan) Sdn. Bhd. ("RPHK")

Security

The Sukuk Wakalah is secured over all the balances in RPHK's designated accounts.

Significant covenant

RPHK is required to maintain a debt-to-equity ratio of not more than 80:20 and an aggregate finance service cover ratio of not less than 1.25 times, upon achievement of Commercial Operation Date of all RPHK plants.

19. Loans and borrowings (continued)

19.4 Sukuk Murabahah issued by Tanjung Bin Energy Sdn. Bhd. ("TBE")

Security

The Sukuk Murabahah is secured over TBE's property, plant and equipment and right-of-use assets with a carrying amount of RM4,588,034,000 (2024: RM4,674,042,000) and RM4,200,000 (2024: RM4,477,000), respectively.

Significant covenant

TBE is required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of not less than 1.25:1.

19.5 Senior USD term loan drawdown by Tanjung Bin Energy Issuer Berhad ("TBEI")

Security

The Senior USD term loan was secured over TBE's property, plant and equipment and right-of-use assets as disclosed in Note 19.4.

Significant covenant

TBEI was required to maintain a debt-to-equity ratio of not more than 80:20 and a finance service cover ratio of not less than 1.25:1.

19.6 RM term loan drawndown by ZEC Solar Sdn. Bhd. ("ZEC Solar")

Security

The RM term loan is secured over a specific debenture over the solar power plant together with other assets at the ZEC Solar's project site, and by a pledge of deposits equivalent to one (1) month of principal and profit, maintained in the form of the Fixed Deposit Receipt ("FDR"), and/or Bank Guarantee ("BG") and/or Standby Letter of Credit ("SBLC").

Significant covenant

ZEC Solar is required to maintain a debt-to-equity ratio of not more than 2.75:1.

19. Loans and borrowings (continued)

19.7 Redeemable Preference Shares issued by TBP

In 2018, TBP had converted its subordinated loan notes of RM30,000,000 into Redeemable Preference Shares ("RPS").

The features of the RPS are as follows:

(i) Dividend

(a) Holders of the RPS shall be entitled to receive an annual fixed dividend of 7.5% per annum.
(b) Dividends on the RPS shall be non-cumulative.
(c) Dividends on the RPS shall be payable on the date that the dividends are paid on ordinary shares issued by the issuer.

(ii) Redemption of RPS

The holders have the discretion to redeem the RPS at any time from the Issue Date up to the Maturity Date, subject to issuer meeting the requirements stated under the Companies Act.

(iii) Voting

The RPS shall carry no right to vote at any general meeting of the issuer except on a resolution for the winding up and on any resolutions that may affect the rights and privileges of the RPS holders.

19.8 Trade financing issued by MCB

Significant covenant

The Group is required to maintain a debt-to-equity ratio of not more than 5.5:1.

19. Loans and borrowings (continued)

19.9 Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1.1.2025 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease and remeasurement of lease liabilities RM'000	Foreign exchange movements RM'000	Acquisition through business combination (Note 39) RM'000	Others RM'000	Transfer from disposal group held for sale (Note 16) RM'000	At 31.12.2025 RM'000
Group								
Sukuk Ijarah medium-term notes	1,672,221	(360,000)	-	-	-	23,617	-	1,335,838
Sukuk medium-term notes	1,459,302	105,000	-	-	-	23,287	-	1,587,589
Sukuk Wakalah	165,000	-	-	-	-	-	-	165,000
Sukuk Wakalah	949,696	-	-	-	-	390	-	950,086
Sukuk Murabahah	3,410,000	(240,000)	-	-	-	-	-	3,170,000
Senior USD term loan	81,955	(81,600)	-	(355)	-	-	-	-
RM Term loan	-	(9,085)	-	-	81,707	-	-	72,622
Redeemable Preference Shares	30,000	-	-	-	-	-	-	30,000
Trade financing	-	32,442	-	-	4,446	-	582	36,508
Lease liabilities	23,861	(12,979)	20,598	-	86,153	47,294	582	7,380,085
	7,792,035	(566,222)	20,598	(355)				
Company								
Trade financing	-	32,442	-	-	-	-	-	32,442
Lease liabilities	12,196	(4,573)	-	-	-	-	-	7,623
	12,196	27,869	-	-	-	-	-	40,065

19. Loans and borrowings (continued)

19.9 Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

Group	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease and remeasurement of lease liabilities RM'000	Foreign exchange movements RM'000	Others RM'000	Transfer to disposal group held for sale (Note 16) RM'000	At 31.12.2024 RM'000
Sukuk Ijarah medium-term notes	1,984,355	(340,000)	-	-	27,866	-	1,672,221
Sukuk medium-term notes	1,621,089	(184,900)	-	-	23,113	-	1,459,302
Sukuk Wakalah	165,000	-	-	-	-	-	165,000
Sukuk Wakalah	955,690	-	-	-	(5,994)	-	949,696
Sukuk Murabahah	3,535,000	(125,000)	-	-	-	-	3,410,000
Senior USD term loan	292,625	(143,090)	-	(67,580)	-	-	81,955
USD term loan	220,320	(220,921)	-	601	-	-	-
Islamic medium-term notes	1,000	(1,000)	-	-	-	-	-
Redeemable Preference Shares	30,000	-	-	-	-	-	30,000
Lease liabilities	16,031	(7,291)	17,486	-	(1,783)	(582)	23,861
	8,821,110	(1,022,202)	17,486	(66,979)	43,202	(582)	7,792,035
Company							
Lease liabilities	4,455	(4,303)	12,234	-	(190)	-	12,196

20. Employee benefits

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Defined benefit obligations	**103,325**	101,394	**16,862**	16,001
Fair value of plan assets	**(1,539)**	(1,547)	**(1,391)**	(1,460)
Net defined benefit liabilities	**101,786**	99,847	**15,471**	14,541
Non-current	**94,011**	86,187	**14,515**	10,270
Current	**7,775**	13,660	**956**	4,271
	101,786	99,847	**15,471**	14,541

The Group's Staff Retirement Benefits Scheme ("the Scheme") provides pension benefits for eligible employees upon retirement.

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liabilities and its components:

Movements in defined benefit obligations

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Defined benefit obligations at 1 January	**101,394**	97,024	**16,001**	17,965
Included in profit or loss				
Current service costs	**3,483**	7,726	**762**	803
Interest costs	**3,913**	4,063	**565**	686
	7,396	11,789	**1,327**	1,489
Included in other comprehensive expense				
Actuarial loss arising from:				
- Demographic assumptions	**139**	-	**20**	-
- Financial assumptions	**2,368**	672	**178**	76
- Experience adjustments	**658**	-	**1,421**	-
	3,165	672	**1,619**	76
Others				
Benefits paid directly by the employer	**(1,290)**	(4,330)	**-**	(2,297)
Benefits paid by the plan	**(6,976)**	(3,761)	**(6,705)**	(2,865)
Intercompany benefits transfer	**-**	-	**4,620**	1,633
Other	**(364)**	-	**-**	-
	(8,630)	(8,091)	**(2,085)**	(3,529)
Defined benefit obligations at 31 December	**103,325**	101,394	**16,862**	16,001

20. Employee benefits (continued)

Movements in fair value of plan assets

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Plan assets at 1 January	**(1,547)**	(1,630)	**(1,460)**	(1,522)
Included in profit or loss				
Interest income	**(64)**	(115)	**(60)**	(111)
	(64)	(115)	**(60)**	(111)
Included in other comprehensive expense				
Loss on asset valuation	**72**	199	**129**	174
	72	199	**129**	174
Others				
Benefits paid by the plan	**6,976**	3,761	**6,705**	2,865
Employer contributions	**(6,976)**	(3,762)	**(6,705)**	(2,866)
	-	(1)	**-**	(1)
Plan assets at 31 December	**(1,539)**	(1,547)	**(1,391)**	(1,460)

Movements in net defined benefit liabilities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net defined benefit liabilities at 1 January	**99,847**	95,394	**14,541**	16,443
Included in profit or loss				
Current service costs	**3,483**	7,726	**762**	803
Interest costs	**3,849**	3,948	**505**	575
	7,332	11,674	**1,267**	1,378
Included in other comprehensive expense				
Actuarial loss arising from:				
- Demographic assumptions	**139**	-	**20**	-
- Financial assumptions	**2,368**	672	**178**	76
- Experience adjustments	**658**	-	**1,421**	-
Loss on asset valuation	**72**	199	**129**	174
	3,237	871	**1,748**	250

20. Employee benefits (continued)

Movements in net defined benefit liabilities (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Others				
Benefits paid directly by the employer	**(1,290)**	(4,330)	**-**	(2,297)
Employer contributions	**(6,976)**	(3,762)	**(6,705)**	(2,866)
Intercompany benefits transfer	**-**	-	**4,620**	1,633
Others	**(364)**	-	**-**	-
	(8,630)	(8,092)	**(2,085)**	(3,530)
Net defined benefit liabilities at 31 December	**101,786**	99,847	**15,471**	14,541

The Group expects to pay RM5,208,000 in contributions to the plan assets in 2026 (2024: RM8,428,000 in contributions to plan assets in 2025).

Plan assets

The major categories of plan assets are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash, cash equivalents and others	**1,539**	1,547	**1,391**	1,460

Actuarial assumptions

Principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	Group		Company	
	2025	2024	2025	2024
Discount rate	**3.90%**	4.10%	**3.90%**	4.10%
Salary inflation	**5.50%**	5.33%	**5.50%**	5.33%

As at 31 December 2025, the weighted average duration of the Scheme is approximately 7 years (2024: 6 years).

20. Employee benefits (continued)

Sensitivity analysis

Reasonably possible changes at the reporting date to the significant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	Group		Company	
	RM'000 Increase	RM'000 Decrease	RM'000 Increase	RM'000 Decrease
Discount rate (1% movement)				
2025	**(6,233)**	**6,919**	**(900)**	**996**
2024	(5,631)	6,285	(722)	801
Salary inflation (1% movement)				
2025	**7,134**	**(6,530)**	**1,034**	**(938)**
2024	8,385	(7,607)	1,161	(1,065)

21. Provision for decommissioning costs

	Group	
	2025 RM'000	2024 RM'000
At 1 January	**266,806**	279,815
Provision used during the year	**(665)**	(23,470)
Unwinding of discount	**10,464**	10,461
At 31 December	**276,605**	266,806
Non-current	**276,605**	237,541
Current	**-**	29,265
	276,605	266,806

Provision for decommissioning costs is the estimated costs that the Group will have to incur in removing or dismantling the power plants at the end of their respective PPA terms. The present value is derived by discounting the decommissioning costs over the remaining useful lives of the power plants based on the appropriate discount rates.

21. Provision for decommissioning costs (continued)

21.1 Coal-fired power plants

The provision for decommissioning costs for the coal-fired power plants was based on valuation reports prepared by an independent professional valuer in previous years. The decommissioning costs of coal-fired power plants estimated were derived using the following significant assumptions:

- All storage tanks will be emptied by the most economical means prior to the commencement of the decommissioning;
- All building contents, plant and equipment will be removed; and
- Pre-tax discount rates of 5.12% to 5.71% per annum.

During the current financial year, the Group has assessed and determined that the provision for decommissioning costs for coal-fired power plants remains appropriate.

21.2 Gas-fired power plants

The provision for decommissioning costs for the gas-fired power plants was based on valuation reports prepared by an independent professional valuer in previous years. The decommissioning costs of gas-fired power plants estimated were derived using the following significant assumptions:

- All building contents, plant and equipment will be removed;
- All buildings and structures will be removed, including pile caps. Piles will be left on site; and
- Pre-tax discount rate of 3.87% per annum.

During the current financial year, the Group has assessed and determined that the provision for decommissioning costs for gas-fired power plants remains appropriate.

21.3 Material accounting policy information

Provision for decommissioning costs which arises principally in connection with the power plants is measured by independent professional valuers, whereby the present value is calculated using amounts discounted over the existing PPAs. The liability is recognised (together with a corresponding amount as part of the power plants) once an obligation crystallises in the period when a reasonable estimate can be made. The unwinding of the discount is recognised as part of "finance costs".

22. Provision for concession assets

	Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**312,504**	329,298
Provision made during the year	**1,265**	5,398
Provision used during the year	**(165,137)**	(24,211)
Unwinding of discount	**882**	2,019
At 31 December	**149,514**	312,504
Non-current	**131,276**	180,151
Current	**18,238**	132,353
	149,514	312,504

The Group has contractual obligations to maintain the assets required to provide collection services and public cleansing services to a specified standard under the Service Concession Agreement (see Note 5). The provision has been made based on expected replacement costs at appropriate intervals, and was derived using the following significant assumptions:

- Equipment is due for replacement every 4 years;
- Bins and vehicles are due for replacement every 9 years;
- The model of certain vehicles will be standardised during the replacement. The Group further estimated the provision based on the expected number of replacements, determined using active-in-use quantities and applying a buffer for certain vehicles; and
- Pre-tax discount rate of 4.60% per annum.

22.1 Material accounting policy information

A provision is recognised based on the contractual obligations that the Group must fulfill as a condition of the Group's license to maintain the infrastructure to a specified standard and to restore the infrastructure which has deteriorated below specific conditions as stated under Service Concession Agreement.

The liability is recognised once an obligation crystallises in the period when a reasonable estimate can be made. The unwinding of the discount is recognised as part of "cost of sales".

23. Deferred income

	Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**2,697,011**	2,914,032
Additions	**93,476**	92,263
Recognised in profit or loss	**(295,076)**	(309,284)
At 31 December	**2,495,411**	2,697,011
Non-current	**2,202,564**	2,401,935
Current	**292,847**	295,076
	2,495,411	2,697,011

Deferred income comprises the difference between capacity payments received from Tenaga Nasional Berhad and capacity payments recognised in profit or loss in relation to the PPAs. The amount is recognised in profit or loss on a straight-line basis over the terms of the respective PPAs.

24. Trade and other payables

		Group		Company	
	Note	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Trade					
Trade payables		**225,850**	834,786	-	-
Non-trade					
Other payables	24.1	**435,387**	161,095	**10,832**	2,823
Accrued expenses	24.2	**420,131**	356,821	**4,757**	8,036
Amounts due to subsidiaries	24.3	**-**	-	**1,229,500**	994,401
Amounts due to related parties	24.3	**20,382**	10,769	**520**	658
		875,900	528,685	**1,245,609**	1,005,918
		1,101,750	**1,363,471**	**1,245,609**	**1,005,9**18

24.1 Included in other payables of the Group is amount due to main contractor of hydropower project under construction amounting to RM234,596,000 (2024: RM88,699,000).

24.2 Included in accrued expenses of the Group are interest expense payables on loans and borrowings of RM75,397,000 (2024: RM82,980,000) and provision for cess fund of RM58,573,000 (2024: RM45,912,000).

24.3 Amounts due to subsidiaries and related parties

Amounts due to subsidiaries and related parties are unsecured, interest free and repayable on demand, except for amounts due to subsidiaries of RM659,710,000 (2024: RM506,000,000), which are subject to an interest rate of 4.60% - 5.50% (2024: 5.50% - 6.90%) per annum.

25. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers	**5,467,110**	6,970,802	**27,452**	25,755
Other revenue				
- Capacity income	**1,727,775**	1,994,829	**-**	-
- Rental income from estate	**1,410**	1,072	**1,410**	1,072
- Dividends from subsidiaries	**-**	-	**162,050**	221,500
- Others	**13,040**	2,864	**3,729**	2,612
	1,742,225	1,998,765	**167,189**	225,184
Total revenue	**7,209,335**	8,969,567	**194,641**	250,939

25.1 Disaggregation of revenue

Revenue from contracts with customers of the Company represents management fee income received/receivable from certain subsidiaries based in Malaysia which is recognised in profit or loss over time when services are rendered. The payment term is generally a credit period of 30 days from invoice date.

Group	2025 RM'000	2024 RM'000
Major products and service		
Energy income	**4,417,322**	5,931,876
Electricity distribution	**157,306**	173,253
Operation and maintenance fees	**5,766**	9,699
Concession business	**837,092**	788,136
Solid waste, tipping fees and recycling	**45,878**	43,365
Integrated facility management	**3,746**	24,473
	5,467,110	6,970,802
Timing and recognition		
Over time	**5,421,232**	6,927,437
At a point in time	**45,878**	43,365
	5,467,110	6,970,802

25. Revenue (continued)

25.1 Disaggregation of revenue (continued)

Group	2025 RM'000	2024 RM'000
Primary geographical market		
Malaysia	**5,467,110**	6,970,802
Revenue from contracts with customers	**5,467,110**	6,970,802
Other revenue	**1,742,225**	1,998,765
Total revenue	**7,209,335**	8,969,567

25.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods and services	Timing of revenue recognition or method used to recognised revenue	Significant payment terms
Energy income	Revenue is recognised over time as the customer simultaneously receives and consumes the electricity provided by the entity.	Credit period of 30 days from invoice date.
Electricity distribution	Revenue is recognised over time as the customer simultaneously receives and consumes the electricity provided by the entity.	Credit period of 30 days from invoice date.
Operation and maintenance fees	Revenue is recognised over time as and when the operation and maintenance services are performed by the entity.	Credit period of 30 days from invoice date.
Concession business	Revenue is recognised over time when the services are performed by the entity.	Credit period of 30 to 60 days from invoice date.
Solid waste, tipping fees and recycling	Revenue is recognised at a point in time when the services are performed by the entity.	Credit period of 30 to 60 days from invoice date.
Integrated facility management	Revenue is recognised over time as the customer simultaneously receives and consumes the services provided by the entity.	Credit period of 30 to 60 days from invoice date.
Capacity income	Revenue is recognised on a straight-line basis where the PPAs are considered to be or to contain an operating lease.	Credit period of 30 days from invoice date.

26. Finance income

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost	**82,944**	94,056	**57,200**	51,373
Interest income of financial assets that are measured at fair value through profit or loss	**3,175**	4,559	**-**	-
	86,119	98,615	**57,200**	51,373
Recognised in profit or loss	**57,261**	68,449	**57,200**	51,373
Capitalised into qualifying assets as a reduction of borrowing costs:				
- Property, plant and equipment	**28,858**	30,166	**-**	-
	86,119	98,615	**57,200**	51,373

27. Finance costs

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	**504,745**	550,776	**36,362**	27,517
Interest expense on lease liabilities	**1,922**	1,582	**497**	723
Other finance costs	**10,464**	10,461	**-**	-
	517,131	562,819	**36,859**	28,240
Recognised in profit or loss	**460,814**	504,032	**36,859**	28,240
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying assets:				
- Property, plant and equipment	**56,317**	58,787	**-**	-
	517,131	562,819	**36,859**	28,240

28. Tax expense

Recognised in profit or loss

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense					
Current year		**161,698**	113,799	**3,880**	4,265
Under/(Over) provision in prior year		**6,072**	(2,717)	**(53)**	(704)
		167,770	111,082	**3,827**	3,561
Deferred tax expense					
Origination and reversal of temporary differences		**(119,139)**	34,062	**314**	(178)
(Over)/Under provision in prior year		**(4,395)**	2,609	**30**	42
	12	**(123,534)**	36,671	**344**	(136)
Total tax expense		**44,236**	147,753	**4,171**	3,425

Reconciliation of tax expense

Profit for the year	**131,494**	310,586	**72,859**	72,166
Total tax expense	**44,236**	147,753	**4,171**	3,425
Profit before tax	**175,730**	458,339	**77,030**	75,591
Income tax calculated using Malaysian tax rate of 24% (2024: 24%)	**42,175**	110,001	**18,487**	18,142
Non-taxable income	**(40,900)**	(20,345)	**(38,955)**	(48,817)
Non-deductible expenses	**23,116**	84,056	**24,662**	34,762
Effect of deferred tax assets not recognised	**41,259**	487	**-**	-
Effect of share of results of associates and joint ventures	**(23,091)**	(26,338)	**-**	-
Under/(Over) provision in prior year				
- current tax	**6,072**	(2,717)	**(53)**	(704)
- deferred tax	**(4,395)**	2,609	**30**	42
	44,236	147,753	**4,171**	3,425

29. Profit for the year

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the year is arrived at after charging/(crediting):				
Auditors' remunerations:				
Audit fees:				
- KPMG PLT	**1,284**	1,274	**279**	279
- Overseas affiliates of KPMG PLT	**137**	137	**-**	-
- Other audit firms	**17**	21	**-**	-
Non-audit fees:				
- KPMG PLT*	**212**	209	**188**	185
- Local affiliate of KPMG PLT	**35**	26	**35**	26
- Member firm of KPMG International Limited	**-**	26	**-**	-
- Other audit firms	**653**	840	**-**	840
Material (income)/expenses				
Amortisation of intangible assets	**273,835**	282,583	-	-
Amortisation of transaction costs of hedging instruments	**1,025**	6,360	-	-
Amortisation of concession assets	**20,941**	12,565	-	-
Compensation from insurance claims	**(136,871)**	(92,825)	-	-
Contribution and corporate social responsibility	**20,606**	14,486	**1,667**	2,144
Depreciation of property, plant and equipment	**829,817**	764,465	**1,677**	1,728
Depreciation of right-of-use assets	**18,025**	13,693	**4,638**	4,639
Gain on disposal of property, plant and equipment	**(127)**	(17,053)	**(60)**	(13,470)
Net loss on impairment of investments in associates	**-**	12,484	**31,771**	-
Impairment loss on investments in subsidiaries	**-**	-	**29,034**	137,105
Impairment loss on goodwill	**-**	10,193	**-**	-
Reversal for diminution in value of consumables	**(12,375)**	(2,061)	**-**	-
Personnel expenses (including key management personnel):				
- Contribution to Employees Provident Fund	**34,624**	31,716	**6,205**	5,370
- Expenses related to retirement benefit plans	**7,332**	11,674	**1,267**	1,378
- Wages, salaries and others	**302,185**	285,470	**35,239**	32,742

29. Profit for the year (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the year is arrived at after charging/(crediting) (continued):				
Material (income)/expenses (continued)				
Property, plant and equipment written off	**18,713**	5,733	**-**	-
Realised foreign exchange loss	**294**	125	**9**	15
Unrealised foreign exchange loss/(gain)	**417**	(349)	**(228)**	-
Zakat expenses	**1,081**	5,073	**1,081**	1,085
Expenses arising from leases				
Expenses relating to short-term leases^	**7,327**	16,013	**-**	-
Expenses relating to leases of low-value assets^	**245**	225	**-**	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities@	**-**	25	**-**	-
Net (reversal)/loss on impairment of financial instruments				
Financial assets at amortised cost	**(120)**	(109)	**(228)**	663

* The non-audit fees paid/payable for the current and previous financial years were mainly related to limited review of interim financial information and agreed-upon procedures to verify the compliance of financial covenants by certain subsidiaries of the Group in accordance with the requirements of the lenders.

^ The Group leases a number of properties, machineries and motor vehicles with contract terms not more than one year. These leases are short-term. The Group also leases a number of office equipment with contract terms of 1 year to 5 years. These leases are low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

@ The Group leased a number of machineries which were charged based on per trip basis (usage) and accounted for as variable lease payments that do not depend on an index or rate. No lease liability was recognised at the lease commencement date.

30. Other comprehensive expense

Group	Before tax RM'000	Tax benefit RM'000	Net of tax RM'000
2025			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	**(3,237)**	**-**	**(3,237)**
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge - Loss arising during the year	**(238)**	**-**	**(238)**
Share of loss on hedging reserve of equity-accounted associates and joint ventures	**(5,908)**	**-**	**(5,908)**
Foreign currency translation differences for foreign operations -Losses arising during the year	**(17,929)**	**-**	**(17,929)**
	(24,075)	**-**	**(24,075)**
	(27,312)	**-**	**(27,312)**
2024			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	(871)	110	(761)
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge - Loss arising during the year	(1,709)	-	(1,709)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	(2,218)	-	(2,218)
Foreign currency translation differences for foreign operations -Losses arising during the year	(14,247)	-	(14,247)
	(18,174)	-	(18,174)
	(19,045)	110	(18,935)
Company			
2025			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	**(1,748)**	**-**	**(1,748)**
2024			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liabilities	(250)	-	(250)

31. Earnings per ordinary share

Basic/Diluted earnings per ordinary share

The calculation of basic earnings per ordinary share is based on the profit attributable to equity holders after distribution on perpetual sukuk and a weighted average number of ordinary shares outstanding, calculated as follows:

Group	2025	2024
Profit attributable to equity holders (RM'000)	**96,060**	268,686
Distribution to perpetual sukuk holder, net of tax (RM'000)	**(55,200)**	(51,665)
Profit attributable to ordinary shareholders (RM'000)	**40,860**	217,021
Weighted average number of ordinary shares at 31 December ('000)	**4,886,961**	4,886,961
Basic earnings per ordinary share (sen)	**0.84**	4.44

There is no dilution in earnings per ordinary share as the Group has no shares and/or other instruments with potential dilutive effects as at 31 December 2025 and 31 December 2024.

32. Dividends

Dividends recognised by the Company:

	Sen per share	Total amount RM'000	Date of payment
2025			
Final 2024 ordinary share	**2.17**	**106,047**	**29 May 2025**
Interim 2025 ordinary share	**1.50**	**73,304**	**27 October 2025**
Total amount		**179,351**	
2024			
Final 2023 ordinary share	1.50	73,304	29 May 2024
Interim 2024 ordinary share	2.23	108,979	25 October 2024
Total amount		182,283	

Subsequent to the end of the current financial year, the Board of Directors has approved a final dividend of 0.86 sen per ordinary share on 4,886,961,300 ordinary shares in issue, totaling RM42,027,867 in respect of the financial year ended 31 December 2025.

The final dividend will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial year ending 31 December 2026.

33. Operating segments

As the Group continues to explore and diversify its portfolio of assets both domestically and internationally, Management, for the purpose of making informed decisions, monitors and reports the operating results, of which the Managing Director/Group Chief Executive Officer ("the chief operating decision-maker") regularly reviews and analyses the operating results of local and foreign segments in a manner consistent with the Group's internal reporting.

The following summary describes the operations in each of the Group's reportable segments:

- Power generation — Includes power generation business and water desalination services.
- Waste management and environmental services — Includes waste management services and environmental services.

Other non-reportable segments comprise operations related to renewable energy business, operation and maintenance services, rental of investment property and investment holding. None of these segments met the quantitative thresholds for reporting segments in 2025 and 2024.

Segment assets

The segment assets consist of property, plant and equipment, investment properties, concession assets, intangible assets, other investments, derivative financial assets, trade and other receivables, deferred tax assets, inventories, current tax assets, cash and cash equivalents of the segment. Investments in associates and joint ventures are excluded from the segment assets. The segment assets are presented in a manner that is consistent with the internal reporting provided to Management for the allocation of resource and assessment of segment performance.

Segment liabilities

The segment liabilities consist of loans and borrowings, lease liabilities, employee benefits, provision for decommissioning costs, provision for concession assets, deferred income, derivative financial liabilities, deferred tax liabilities, trade and other payables and current tax liabilities of the segment. The segment liabilities are presented in a manner that is consistent with the internal reporting provided to Management for the allocation of resource and assessment of segment performance.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, leasehold land and concession assets.

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services			Others			Elimination[A]			Consolidated		
	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	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Foreign RM'000	Total RM'000
2025															
Revenue from external customers	**6,145,097**	-	**6,145,097**	**886,716**	**177,522**		-	**177,522**		-	-	-	**7,209,335**	-	**7,209,335**
Inter-segment revenue	-	-	-	**142,245**	**957,980**	**1,041,183**	**83,203**	**1,041,183**	**(1,100,225)**	**(83,203)**	**(1,183,428)**		-	-	-
Total segment revenue	**6,145,097**	-	**6,145,097**	**1,028,961**	**1,135,502**	**1,218,705**	**83,203**	**1,218,705**	**(1,100,225)**	**(83,203)**	**(1,183,428)**	**7,209,335**	**24,208**	**107,286**	**131,494**
Profit after tax	**159,839**	**107,966**	**267,805**	**145,053**	**96,852**	**192,801**	**95,949**	**192,801**	**(377,536)**	**(96,629)**	**(474,165)**		-	-	-
2024															
Revenue from external customers	7,919,093	-	7,919,093	855,974	194,500		-	194,500		-	-	-	8,969,567	-	8,969,567
Inter-segment revenue	-	-	-	16,507	1,038,544	1,055,051	279,301	1,317,845	(1,055,051)	(279,301)	(1,334,352)		-	-	-
Total segment revenue	7,919,093	-	7,919,093	872,481	1,233,044	1,512,345	279,301	1,512,345	(1,055,051)	(279,301)	(1,334,352)	8,969,567	199,540	111,046	310,586
Profit after tax	357,434	119,825	477,259	127,374	98,208	379,875	281,667	379,875	(383,476)	(290,446)	(673,922)		-	-	-

[A] Inter-segment transactions are eliminated on consolidation.

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services		Others		Elimination	Consolidated
	Local RM'000	Foreign RM'000	Total RM'000	Local RM'000	Local RM'000	Foreign RM'000	Total RM'000	Total RM'000	Total RM'000
At 31 December 2025									
Segment assets	**12,576,529**	**-**	**12,576,529**	**784,616**	**14,232,093**	**1,984,391**	**16,216,484**	**(13,281,284)**	**16,296,345**
Investments in associates	**-**	**-**	**-**	**-**	**302,082**	**49,917**	**351,999**	**360,317**	**712,316**
Investments in joint ventures	**-**	**-**	**-**	**-**	**61,020**	**485,005**	**546,025**	**162,558**	**708,583**
	12,576,529	**-**	**12,576,529**	**784,616**	**14,595,195**	**2,519,313**	**17,114,508**	**(12,758,409)**	**17,717,244**
Segment liabilities	**11,814,842**	**-**	**11,814,842**	**363,512**	**5,220,360**	**863,663**	**6,084,023**	**(5,935,121)**	**12,327,256**
Capital expenditure	**612,567**	**-**	**612,567**	**26,492**	**10,527**	**-**	**10,527**	**-**	**649,586**
At 31 December 2024									
Segment assets	13,875,957	-	13,875,957	771,501	13,179,942	2,053,566	15,233,508	(12,170,778)	17,710,188
Investments in associates	-	-	-	-	215,353	49,917	265,270	328,118	593,388
Investments in joint ventures	-	-	-	-	22,586	485,005	507,591	201,520	709,111
	13,875,957	-	13,875,957	771,501	13,417,881	2,588,488	16,006,369	(11,641,140)	19,012,687
Segment liabilities	11,938,222	-	11,938,222	488,970	5,242,959	929,542	6,172,501	(5,130,843)	13,468,850
Capital expenditure	441,518	-	441,518	17,806	7,520	-	7,520	-	466,844

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services		Others		Consolidated		
	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
As at 31 December 2025										
Reversal for diminution in value of consumables	**896**	**-**	**896**	**(16)**	**11,495**	**-**	**11,495**	**12,375**	**-**	**12,375**
Amortisation of intangible assets	**(133,307)**	**(14,199)**	**(147,506)**	**(36,421)**	**(89,908)**	**-**	**(89,908)**	**(259,636)**	**(14,199)**	**(273,835)**
Amortisation of transaction costs of hedging instruments	**(1,025)**	**-**	**(1,025)**	**-**	**-**	**-**	**-**	**(1,025)**	**-**	**(1,025)**
Amortisation of concession assets	**-**	**-**	**-**	**(12,565)**	**(8,376)**	**-**	**(8,376)**	**(20,941)**	**-**	**(20,941)**
Depreciation of property, plant and equipment	**(810,558)**	**-**	**(810,558)**	**(9,853)**	**(9,406)**	**-**	**(9,406)**	**(829,817)**	**-**	**(829,817)**
Depreciation of right-of-use assets	**(6,903)**	**-**	**(6,903)**	**(6,806)**	**(4,316)**	**-**	**(4,316)**	**(18,025)**	**-**	**(18,025)**
Gain on disposal of property, plant and equipment	**-**	**-**	**-**	**67**	**60**	**-**	**60**	**127**	**-**	**127**
Expenses related to retirement benefit plans	**-**	**-**	**-**	**(57)**	**(7,275)**	**-**	**(7,275)**	**(7,332)**	**-**	**(7,332)**
Net reversal on impairment of financial instruments	**-**	**-**	**-**	**120**	**-**	**-**	**-**	**120**	**-**	**120**
Net impairment loss on property, plant and equipment	**-**	**-**	**-**	**(143)**	**-**	**-**	**-**	**(143)**	**-**	**(143)**
Property, plant and equipment written off	**(18,098)**	**-**	**(18,098)**	**(615)**	**-**	**-**	**-**	**(18,713)**	**-**	**(18,713)**
Net unrealised foreign exchange loss	**-**	**-**	**-**	**-**	**(417)**	**-**	**(417)**	**(417)**	**-**	**(417)**
	(968,995)	**(14,199)**	**(983,194)**	**(66,289)**	**(108,143)**	**-**	**(108,143)**	**(1,143,427)**	**(14,199)**	**(1,157,626)**

33. Operating segments (continued)

	Power generation			Waste Management and Environmental Services			Others			Consolidated		
	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	Local RM'000	Foreign RM'000	Total RM'000
As at 31 December 2024												
Reversal for diminution in value of consumables	2,208	-	2,208	(6)			(141)	-	(141)	2,061	-	2,061
Amortisation of intangible assets	(144,314)	(11,674)	(155,988)	(36,520)			(90,075)	-	(90,075)	(270,909)	(11,674)	(282,583)
Amortisation of transaction costs of hedging instruments	(6,360)	-	(6,360)	-			-	-	-	(6,360)	-	(6,360)
Amortisation of concession assets	-	-	-	(12,565)			-	-	-	(12,565)	-	(12,565)
Depreciation of property, plant and equipment	(744,221)	-	(744,221)	(10,495)			(9,749)	-	(9,749)	(764,465)	-	(764,465)
Depreciation of right-of-use assets	(4,463)	-	(4,463)	(4,872)			(4,358)	-	(4,358)	(13,693)	-	(13,693)
Gain on disposal of property, plant and equipment	4,760	-	4,760	(1,158)			13,451	-	13,451	17,053	-	17,053
Expenses related to retirement benefit plans	-	-	-	(638)			(11,036)	-	(11,036)	(11,674)	-	(11,674)
Net reversal on impairment of financial instruments	-	-	-	121			(12)	-	(12)	109	-	109
Net impairment loss on property, plant and equipment	-	-	-	(62)			-	-	-	(62)	-	(62)
Property, plant and equipment written off	(5,818)	-	(5,818)	85			-	-	-	(5,733)	-	(5,733)
Net unrealised foreign exchange gain	-	-	-	-			349	-	349	349	-	349
	(898,208)	(11,674)	(909,882)	(66,110)			(101,571)	-	(101,571)	(1,065,889)	(11,674)	(1,077,563)

33. Operating segments (continued)

Geographical information

The local and foreign segments are managed on a worldwide basis, with operating facilities mainly in Malaysia and Middle East.

Geographic revenue information is based on geographical location of the customers, which are solely derived from Malaysia (see Note 25). Geographic non-current assets are based on the geographical location of the assets, which are solely derived from Malaysia. The amounts of non-current assets do not include investments in associates and joint ventures, and deferred tax assets.

Major customers

The following is a major customer with revenue equal or more than 10% of the Group's total revenue:

	Revenue	
	2025	2024
Group	RM'000	RM'000
Tenaga Nasional Berhad	**6,124,898**	7,919,093

34. Financial instruments

34.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

a) Amortised cost ("AC")
b) Fair value through profit or loss ("FVTPL")
   - Mandatorily required by MFRS 9
c) Derivatives used for hedging

	Carrying amount		Mandatorily
		AC	at FVTPL
Group	RM'000	RM'000	RM'000
2025			
Financial assets			
Trade and other receivables*	**616,596**	**616,596**	**-**
Other investments	**593,848**	**462,904**	**130,944**
Cash and cash equivalents	**1,452,406**	**1,452,406**	**-**
	2,662,850	**2,531,906**	**130,944**
Financial liabilities			
Loans and borrowings	**(7,343,577)**	**(7,343,577)**	**-**
Trade and other payables*	**(1,098,429)**	**(1,098,429)**	**-**
	(8,442,006)	**(8,442,006)**	**-**

34. Financial instruments (continued)

34.1 Categories of financial instruments (continued)

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2025			
Financial assets			
Trade and other receivables*	**1,513,612**	**1,513,612**	**-**
Other investments	**2,484**	**-**	**2,484**
Cash and cash equivalents	**95,461**	**95,461**	**-**
	1,611,557	**1,609,073**	**2,484**
Financial liabilities			
Trade and other payables	**(1,245,609)**	**(1,245,609)**	**-**
Loans and borrowings	**(32,442)**	**(32,442)**	**-**
	(1,278,051)	**(1,278,051)**	**-**

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2024				
Financial assets				
Trade and other receivables*	1,420,324	1,420,324	-	-
Other investments	831,192	716,785	114,407	-
Cash and cash equivalents	1,375,368	1,375,368	-	-
Derivative financial assets	24,493	-	-	24,493
	3,651,377	3,512,477	114,407	24,493
Financial liabilities				
Loans and borrowings	(7,768,174)	(7,768,174)	-	-
Trade and other payables*	(1,358,088)	(1,358,088)	-	-
	(9,126,262)	(9,126,262)	-	-

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2024			
Financial assets			
Trade and other receivables*	1,372,496	1,372,496	-
Other investments	2,484	-	2,484
Cash and cash equivalents	93,624	93,624	-
	1,468,604	1,466,120	2,484
Financial liabilities			
Trade and other payables	(1,005,918)	(1,005,918)	-

* Excludes non-financial instruments

34. Financial instruments (continued)

34.2 Net gains and losses arising from financial instruments

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Net gains/(losses) on:				
Financial assets measured at amortised cost	**82,881**	94,156	**57,844**	50,700
Financial liabilities measured at amortised cost	**(505,273)**	(550,544)	**(36,365)**	(27,522)
Financial assets measured at fair value through profit or loss mandatorily required by MFRS 9	**3,175**	4,559	**-**	-
Derivatives used for hedging				
- Recognised in other comprehensive income	**(238)**	(1,709)	**-**	-
	(419,455)	(453,538)	**21,479**	23,178

34.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

34.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of the receivables ageing. Credit evaluations are performed on significant customers requiring credit over a certain amount. The Group does not require collateral in respect of trade receivables.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Trade receivables (continued)

Risk management objectives, policies and processes for managing the risk (continued)

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to the enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

At the end of the reporting period, the Group has a concentration of credit risk in the form of trade debts due from Tenaga Nasional Berhad and Solid Waste and Public Cleansing Management Corporation, representing approximately 41% (2024: 89%) of the total receivables of the Group.

The exposure of credit risk for trade receivables as at the end of the current and previous reporting periods by geographic region was solely domestic.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days. The Group's debt recovery process is as follows:

a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the commercial team; and
b) Above 90 days past due, the Group will initiate a legal proceeding against the customer.

The Group uses an allowance matrix to measure Expected Credit Losses ("ECLs") of trade receivables.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are not significant for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2025			
Not past due	**340,492**	**-**	**340,492**
Past due 1 – 30 days	**4,450**	**-**	**4,450**
Past due 31 – 120 days	**8,415**	**-**	**8,415**
Past due more than 120 days	**12,773**	**(2,229)**	**10,544**
	366,130	**(2,229)**	**363,901**
2024			
Not past due	1,267,394	-	1,267,394
Past due 1 – 30 days	8,054	-	8,054
Past due 31 – 120 days	3,865	-	3,865
Past due more than 120 days	10,264	(2,349)	7,915
	1,289,577	(2,349)	1,287,228

The movements in the allowance for impairment in respect of trade receivables during the financial year are shown below:

Group	Lifetime ECL RM'000
At 1 January 2024	2,878
Net remeasurement of loss allowance	(529)
At 31 December 2024/1 January 2025	**2,349**
Net remeasurement of loss allowance	**(120)**
At 31 December 2025	**2,229**

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is probable, the amount considered irrecoverable is written off against the receivables.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Cash and cash equivalents and deposits with licensed banks and other licensed corporations

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material.

Other receivables

Credit risk on other receivables are mainly arising from interest receivables, deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease term. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Interest receivables are due from banks and financial institutions that have a low credit risk. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material.

The movements in the allowance for impairment in respect of other receivables during the financial year are shown below:

	Group RM'000	Company RM'000
Lifetime ECL		
At 1 January 2024	12,681	5,516
Net remeasurement of loss allowance	420	420
At 31 December 2024/1 January 2025/ 31 December 2025	**13,101**	**5,936**

Financial guarantees

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers.*

34. Financial instruments (continued)

34.4 Credit risk (continued)

Financial guarantees (continued)

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM1,587,589,000 (2024: RM1,459,302,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Related company loans and advances

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide loans and advances to related companies, which include subsidiaries, associates, related parties, joint ventures and related companies. The Group and the Company monitor the results of the related companies regularly, as well as their ability to repay the loans and advances on an individual basis.

34. Financial instruments (continued)

34.4 Credit risk (continued)

Related company loans and advances (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Related company loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Group and the Company consider related company loans and advances to have low credit risk. It is assumed that there is a significant increase in credit risk when a related company's financial position deteriorates significantly. As the Group and the Company are able to determine the timing of payments of the related company's loans and advances when they are payable, loans and advances are considered to be in default when the related companies are not able to pay when demanded. A related company's loans and advances are considered to be credit impaired when:

a) the related company is unlikely to repay its loans or advances to the Company in full;
b) the related company's loans and advances are overdue for more than 365 days; or
c) the related company is continuously loss making and has a deficit in shareholders' fund.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for related companies' loans and advances.

Group	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2025			
Low credit risk	**22,512**	**-**	**22,512**
2024			
Low credit risk	41,487	-	41,487

34. Financial instruments (continued)

34.4 Credit risk (continued)

Related company loans and advances (continued)

Recognition and measurement of impairment loss (continued)

Company	Gross carrying amount RM'000	Impairment loss allowances RM'000	Net balance RM'000
2025			
Low credit risk	**1,173,873**	**-**	**1,173,873**
Significant increase in credit risk	**400,542**	**(64,403)**	**336,139**
	1,574,415	**(64,403)**	**1,510,012**
2024			
Low credit risk	1,249,820	-	1,249,820
Significant increase in credit risk	181,990	(64,631)	117,359
	1,431,810	(64,631)	1,367,179

There was no loss allowance made on the Group's related companies' loans and advances during the financial year (2024: Nil).

The movements in the allowance for impairment in respect of related companies' loans and advances during the financial year are as follows:

	Group RM'000	Company RM'000
Lifetime ECL		
At 1 January 2024	**-**	(64,388)
Net remeasurement of loss allowance	-	(243)
At 31 December 2024/1 January 2025	-	**(64,631)**
Net remeasurement of loss allowance	-	**228**
At 31 December 2025	-	**(64,403)**

34.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and banking facilities deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis in relation to the Group's and the Company's financial liabilities could occur significantly earlier, or at significantly different amounts.

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate/Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
2025							
Financial liabilities							
Secured							
Sukuk Ijarah medium-term notes	**1,335,838**	**5.12 - 5.34**	**1,559,507**	**433,054**	**414,432**	**712,021**	**-**
Sukuk medium-term notes	**1,587,589**	**4.41 - 6.25**	**2,148,039**	**188,549**	**183,405**	**1,170,120**	**605,965**
Sukuk Wakalah	**165,000**	**5.27 - 5.60**	**183,203**	**68,881**	**60,719**	**53,603**	**-**
Sukuk Wakalah	**950,086**	**5.09 - 6.15**	**1,617,866**	**55,910**	**55,910**	**286,601**	**1,219,445**
Sukuk Murabahah	**3,170,000**	**5.50 - 6.31**	**4,070,848**	**391,326**	**547,593**	**1,585,111**	**1,546,818**
RM term loan	**72,622**	**Cost of fund+ 2.50% p.a. to 2.75% p.a.**	**85,131**	**13,772**	**12,232**	**33,964**	**25,163**
	7,281,135		**9,664,594**	**1,151,492**	**1,274,291**	**3,841,420**	**3,397,391**
Unsecured							
Redeemable Preference Shares	**30,000**	**7.50**	**30,000**	**30,000**	**-**	**-**	**-**
Trade financing	**32,442**	**4.44**	**33,144**	**33,144**	**-**	**-**	**-**
Trade and other payables^	**1,098,429**	**-**	**1,098,429**	**1,098,429**	**-**	**-**	**-**
Lease liabilities	**36,508**	**3.80 - 6.88**	**23,564**	**11,093**	**5,989**	**6,064**	**418**
	8,478,514		**10,849,731**	**2,324,158**	**1,280,280**	**3,847,484**	**3,397,809**

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Group	Carrying amount RM'000	Contractual interest rate/Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
2024							
Financial liabilities							
Secured							
Sukuk Ijarah medium-term notes	1,672,221	5.12 - 5.34	2,011,702	452,194	433,054	1,126,454	-
Sukuk medium-term notes	1,459,302	4.41 - 6.25	2,044,802	240,339	177,320	949,963	677,180
Sukuk Wakalah	165,000	5.27 - 5.60	192,083	8,881	68,881	114,321	-
Sukuk Wakalah	949,696	5.09 - 6.15	1,731,494	56,203	111,640	437,956	1,125,695
Sukuk Murabahah	3,410,000	5.50 - 6.31	4,509,179	438,331	391,326	1,624,205	2,055,317
Senior USD term loan	81,955	5.80	83,129	83,129	-	-	-
	7,738,174		10,572,389	1,279,077	1,182,221	4,252,899	3,858,192
Unsecured							
Redeemable Preference Shares	30,000	7.50	30,000	30,000	-	-	-
Trade and other payables^	1,358,088	-	1,358,088	1,358,088	-	-	-
Lease liabilities	23,861	5.12 - 5.73	27,054	7,982	9,686	5,730	3,656
	9,150,123		11,987,531	2,675,147	1,191,907	4,258,629	3,861,848

^ Excludes non-financial instruments

34. Financial instruments (continued)

34.5 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Company	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
2025						
Financial liabilities						
Unsecured						
Other payables and accruals	**16,109**	-	**16,109**	**16,109**	-	-
Amounts due to subsidiaries	**659,710**	**4.60 - 5.50**	**695,003**	**695,003**	-	-
Amounts due to subsidiaries	**569,790**	-	**569,790**	**569,790**	-	-
Trade financing	**32,442**	**4.44**	**33,144**	**33,144**	-	-
Lease liabilities	**7,623**	**5.12 - 5.50**	**7,921**	**5,069**	**2,852**	-
Financial guarantees	**-**	-	**1,587,589**	**1,587,589**	-	-
	1,285,674		**2,909,556**	**2,906,704**	**2,852**	-
2024						
Financial liabilities						
Unsecured						
Other payables and accruals	11,517	-	11,517	11,517	-	-
Amounts due to subsidiaries	506,000	5.50 - 6.90	533,914	533,914	-	-
Amounts due to subsidiaries	488,401	-	488,401	488,401	-	-
Lease liabilities	12,196	5.12 - 5.50	12,990	5,069	5,069	2,852
Financial guarantees	-	-	1,459,302	1,459,302	-	-
	1,018,114		2,506,124	2,498,203	5,069	2,852

34. Financial instruments (continued)

34.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

Currency risk

The Group is exposed to foreign currency risk on sales, purchases, cash and cash equivalents and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are Indonesian Rupiah ("IDR"), US Dollar ("USD") and Japanese Yen ("JPY").

Risk management objectives, policies and processes for managing the risk

The Group hedges certain of its foreign currency denominated loans and borrowings. At 31 December 2024, the Group used cross currency interest rate swaps to hedge its foreign currency risk.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period is as follows:

	IDR RM'000	USD RM'000	JPY RM'000
2025			
Deposits with licensed banks	**-**	**56,078**	**-**
Cash and bank balances	**6,529**	**2,879**	**-**
Trade and other receivables	**-**	**43,593**	**-**
Loans and borrowings	**-**	**-**	**(32,442)**
Trade and other payables	**-**	**(10,889)**	**-**
Net exposure	**6,529**	**91,661**	**(32,442)**
2024			
Deposits with licensed banks	-	71,532	-
Cash and bank balances	7,439	2,185	-
Trade and other receivables	-	26,012	-
Trade and other payables	-	(71,434)	-
Net exposure	7,439	28,295	-

34. Financial instruments (continued)

34.6 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have functional currencies other than Ringgit Malaysia ("RM"). A 10% (2024: 10%) strengthening of the RM against the following currencies would have increased/(decreased) post-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss	
	2025	**2024**
	RM'000	**RM'000**
Group		
IDR	**(496)**	(565)
USD	**(6,966)**	(2,150)
JPY	**2,466**	-
	(4,996)	(2,715)

A 10% (2024: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's fixed rate deposits and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

In managing interest rate risk, the Group maintains a balanced portfolio consisting mainly fixed rated instruments. All interest rate exposures are monitored and managed proactively by the Group's management. In previous year, the Group has also entered into cross currency interest rate swaps in order to hedge against the floating rate exposure.

34. Financial instruments (continued)

34.6 Market risk (continued)

Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period is as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fixed rate instruments				
- Financial assets	**1,736,216**	2,157,932	**1,037,681**	967,853
- Financial liabilities	**(7,270,955)**	(7,768,174)	**(692,152)**	(506,000)
- Lease liabilities	**(36,508)**	(23,861)	**(7,623)**	(12,196)
	(5,571,247)	(5,634,103)	**337,906**	449,657
Floating rate instruments				
- Financial liabilities	**(72,622)**	-	**-**	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. The Company also does not account for any fixed rate financial assets at fair value through profit or loss.

At the reporting date, if the Group's fixed rate financial assets classified as fair value through profit or loss have been 1% (2024: 1%) higher/lower, with all other variables held constant, the Group's profit or loss would have increased/(decreased) by RM1,309,000 (2024: RM1,119,000) arising as a result of changes in the fair value of the financial assets classified as fair value through profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bps") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

34. Financial instruments (continued)

34.6 Market risk (continued)

Interest rate risk (continued)

Interest rate risk sensitivity analysis (continued)

Cash flow sensitivity analysis for variable rate instruments (continued)

	Profit or loss		Equity	
	100 bps increase RM'000	100 bps decrease RM'000	100 bps increase RM'000	100 bps decrease RM'000
2025				
Financial liabilities	**(552)**	**552**	**-**	**-**
Cash flow sensitivity (net)	**(552)**	**552**	**-**	**-**
2024				
Cross currency interest rate swaps	-	-	(85)	85
Cash flow sensitivity (net)	-	-	(85)	85

34.7 Hedging activities

Currency risk – Transactions in foreign currency

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of the Group. The functional currency of Group companies is primarily the Ringgit Malaysia ("RM"). The currency in which these transactions are primarily denominated is the US Dollar ("USD").

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Interest rate risk

To manage interest rate risk exposure, the Group partly enters into fixed-rate instruments and partly borrows at a floating rate and uses interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- differences in repricing dates between the swaps and the borrowings.

Cash flow hedge

The Group applied the requirements of MFRS 9, Financial Instruments for hedge accounting. The Group has elected to account for the entire swap as a hedging instrument in its entirety. The forward element of these swaps is not separately accounted for from its spot element. Accordingly, the change in fair value of the entire swap is recognised in the hedging reserve in equity.

The Group entered into various cross currency interest rate swaps ("CCIRS") to hedge the interest rate risk and foreign exchange risk in relation to the variability in cash flows on the floating rate USD loans.

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The Group held the following instruments to hedge exposures to changes in foreign currency and interest rates.

Group	Under 1 year RM'000	Maturity 1-2 years RM'000	2-5 years RM'000
2024			
Foreign currency and interest rate risks			
Cross currency interest rate swaps			
Net exposure	58,494	-	-
Fixed interest rate	5.80%	-	-
Fixed foreign exchange rate (RM/USD)	3.149	-	-

The amounts at the reporting date relating to items designated as hedged items were as follows:

Group	Change in value used for calculation of hedge ineffectiveness RM'000	Cash flow hedge reserve RM'000
2025		
Foreign currency and interest rate risks		
Cross currency interest rate swaps	**37**	**(238)**
2024		
Foreign currency and interest rate risks		
Cross currency interest rate swaps	(522)	(1,709)

Group	Nominal amount RM'000	Carrying amount: Assets RM'000	Carrying amount: Liabilities RM'000	Line item in the statement of financial position where the hedging instrument is included
2024				
Foreign currency and interest rate risks				
Cross currency interest rate swaps	(58,494)	24,493	-	*Derivative financial assets*

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The amounts at the reporting date relating to hedge effectiveness were as follows:

Group	Changes in the value of hedging instrument recognised in other comprehensive income RM'000	Hedge ineffectiveness recognised in profit or loss RM'000	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedge reserve to profit or loss RM'000	Line item in profit or loss affected by the reclassification
2025					
Foreign currency and interest rate risks					
Cross currency interest rate swaps	**(24,529)**	**37**	**Other operating expenses**	**24,291**	**Other operating expenses**
2024					
Foreign currency and interest rate risks					
Cross currency interest rate swaps	(69,285)	(522)	Other operating expenses	67,576	Other operating expenses

34. Financial instruments (continued)

34.7 Hedging activities (continued)

Cash flow hedge (continued)

The following table provides reconciliation by risk category of components of equity and analysis of other comprehensive income items, net of tax, resulting from cash flow hedge accounting.

	Hedging reserve	
	2025	2024
Group	**RM'000**	**RM'000**
At 1 January	**293,860**	297,787
Changes in fair value:		
Cross currency interest rate swaps	**(24,529)**	(69,285)
Amount reclassified to profit or loss:		
Cross currency interest rate swaps	**24,291**	67,576
Share of hedging reserve of equity-accounted associates and joint ventures	**(5,908)**	(2,218)
At 31 December	**287,714**	293,860

34.8 Fair value information

The carrying amounts of cash and cash equivalents, deposits with licensed banks, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

34. Financial instruments (continued)

34.8 Fair value information (continued)

The table below analyses financial instruments carried at fair value.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
Group	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**RM'000**	**RM'000**
2025										
Financial assets										
Other investments:										
Other investments	-	130,944	-	130,944	-	-	-	-	130,944	130,944
Financial liabilities										
Loans and borrowings										
Secured:										
Sukuk Ijarah medium-term notes	-	-	-	-	(1,425,414)	-	-	(1,425,414)	(1,425,414)	(1,335,838)
Sukuk medium-term notes	-	-	-	-	(1,562,343)	-	-	(1,562,343)	(1,562,343)	(1,587,589)
Sukuk Wakalah	-	-	-	-	(169,090)	-	-	(169,090)	(169,090)	(165,000)
Sukuk Wakalah	-	-	-	-	(1,115,824)	-	-	(1,115,824)	(1,115,824)	(950,086)
Sukuk Murabahah	-	-	-	-	(3,443,385)	-	-	(3,443,385)	(3,443,385)	(3,170,000)
RM Term loan	-	-	-	-	-	(72,622)	-	(72,622)	(72,622)	(72,622)
Unsecured:										
Trade financing	-	-	-	-	-	(32,442)	-	(32,442)	(32,442)	(32,442)
	-	-	-	-	(7,716,056)	(105,064)	-	(7,821,120)	(7,821,120)	(7,313,577)
Company										
Financial assets										
Other investments:										
Investment in RCCPS	-	-	2,484	2,484	-	-	-	-	2,484	2,484
Financial liabilities										
Loans and borrowings										
Unsecured:										
Trade financing	-	-	-	-	-	(32,442)	-	(32,442)	(32,442)	(32,442)

34. Financial instruments (continued)

34.8 Fair value information (continued)

The table below analyses financial instruments carried at fair value (continued).

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
2024										
Financial assets										
Derivative financial assets:										
Cross currency interest rate swaps	-	24,493	-	24,493	-	-	-	-	24,493	24,493
Other investments:										
Investment in RCCPS	-	-	2,484	2,484	-	-	-	-	2,484	2,484
Other investments	-	111,923	-	111,923	-	-	-	-	111,923	111,923
	-	136,416	2,484	138,900	-	-	-	-	138,900	138,900
Financial liabilities										
Loans and borrowings										
Secured:										
Sukuk Ijarah medium-term notes	-	-	-	-	-	(1,793,142)	-	(1,793,142)	(1,793,142)	(1,672,221)
Sukuk medium-term notes	-	-	-	-	-	(1,704,698)	-	(1,704,698)	(1,704,698)	(1,459,302)
Sukuk Wakalah	-	-	-	-	-	(170,094)	-	(170,094)	(170,094)	(165,000)
Sukuk Wakalah	-	-	-	-	-	(1,093,419)	-	(1,093,419)	(1,093,419)	(949,696)
Sukuk Murabahah	-	-	-	-	-	(3,681,571)	-	(3,681,571)	(3,681,571)	(3,410,000)
	-	-	-	-	-	(8,442,924)	-	(8,442,924)	(8,442,924)	(7,656,219)
Company										
Financial assets										
Other investments:										
Investment in RCCPS	-	-	2,484	2,484	-	-	-	-	2,484	2,484

34. Financial instruments (continued)

34.8 Fair value information (continued)

Level 2 fair value

Derivatives

The CCIRS instruments entered by a subsidiary in Malaysia are not actively traded therefore market-based prices are not readily available. The fair values of the instruments are calculated based on the present value of future principal and interest cash flows. The spot rates, forward rates and foreign exchange rates used to calculate present value are directly observable from the market.

Other investments

Fair value of other investments is determined by reference to statements provided by the respective financial institutions, with which the placements were entered into.

Non-derivative financial liabilities

Fair value of the long-term borrowings which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2024: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Loans and borrowings	Discounted cash flows using applicable and prevailing rates at the reporting date

34. Financial instruments (continued)

34.8 Fair value information (continued)

Valuation process applied by the Group for Level 3 fair value

The Group has an established control framework with respect to the measurement of fair values of financial instruments. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

34.9 Material accounting policy information

The Group applies settlement date accounting for regular way purchase or sale of financial assets.

35. Capital management

The Group's objectives when managing capital are to maintain a strong capital base and to safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

35.1 The Company's debt-to-equity ratio is applied to the following loans and borrowings:

a) Sukuk medium-term notes issued by Malakoff Power Berhad ("MPB")

For Sukuk medium-term notes issued by MPB, the Company and MPB are required to maintain an aggregated debt-to-equity ratio of not more than 1:1.

The aggregated debt-to-equity ratios were as follows:

	2025	2024
Aggregated debt-to-equity ratio of the Company and MPB	**0.29:1**	0.26:1

35. Capital management (continued)

35.2 The Group's debt-to-equity ratio is applied to the following loans and borrowings:

a) Sukuk medium-term notes issued by MPB
b) Trade financing drawndown by the Company

For Sukuk medium-term notes issued and drawndown by MPB and trade financing drawndown by the Company, the Group is required to maintain its debt-to-equity ratio of not more than 5.5:1.

The debt-to-equity ratios were as follows:

	2025	2024
Group debt-to-equity ratio	**1.50:1**	1.58:1

Debt covenants in relation to subsidiaries are disclosed in Note 19.

There were no changes in the Group's approach to capital management during the financial year.

36. Capital and other commitments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Plant and equipment				
Contracted but not provided for	**615,831**	1,067,417	**1,187**	231

37. Contingencies

Provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Contingent liabilities not considered remote

Litigations

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.

37. Contingencies (continued)

Contingent liabilities not considered remote (continued)

Litigations (continued)

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.

In addition to filing their Defence on 22 April 2019, GE Entities filed a Counterclaim against PPSB alleging breach of:

a) the Settlement and Release Agreement dated 12 December 2012 ("SRA") in relation to two incidents at the Prai Power Plant in 2006 and 2009; and
b) the agreement dated 19 December 2000, which was novated from Natural Analysis ––/PPSB to MPB in the Novation Agreement dated 18 January 2013.

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 Settlement and Release Agreement ("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 Singapore International Arbitration Center ("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.

37. Contingencies (continued)

Contingent liabilities not considered remote (continued)

Litigations (continued)

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.

On 18 June 2025, Malakoff Entities informed the Arbitral Tribunal of an unexpected medical circumstance faced by the lead counsel for Malakoff Entities and requested a postponement of the July-August Hearing to the first quarter of 2026.

On 20 June 2025, GE Entities proposed to the Arbitral Tribunal a bifurcation of the Merits Hearing, i.e. a proposal that the July-August Hearing proceeds in respect of Claim 1 only (involving only PPSB and GE Entities), allowing GE Entities a short time after the Arbitral Tribunal's determination of Claim 1 to decide if GE Entities would proceed with Claim 2 against Malakoff Entities.

On 28 June 2025, after consideration of the matters raised by PPSB and GE Entities in relation to bifurcation, the Arbitral Tribunal directed that:

a) the July-August Hearing would proceed in respect of Claim 1 only, which solely involves PPSB and GE Entities; and
b) the Arbitral Tribunal would decide at the conclusion of the hearing on Claim 1 whether to decide and issue its award on Claim 1 or defer it until Claim 2 (of which Malakoff Entities are involved) is heard.

Upon the conclusion of the July-August Hearing on 8 August 2025,

a) The Arbitral Tribunal set 24 October 2025 as the deadline for parties in Claim 1 to file written submissions on the merits of Claim 1 as well as on costs; and
b) No directions have been given by the Arbitral Tribunal in the course of the July-August Hearing which would require compliance by Malakoff Entities.

On 18 November 2025, the Arbitral Tribunal informed Malakoff Entities that the Arbitral Tribunal will give further directions on Claim 2 only after it has considered the closing submissions of the parties in Claim 1.

On 9 January 2026, the parties in Claim 1 submitted their Reply Submission for Claim 1 to Arbitral Tribunal.

As of 4 March 2026, the Arbitral Tribunal has yet to provide further directions to the Malakoff Entities, pending its decision on Claim 1.

The Group is of the view that it is premature to form a define view on the outcome of this case.

38. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the following transactions are shown in Notes 11, 14, 15 and 24.

		Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
i.	**Associates**				
	Secondment fees	**240**	-	**2,085**	2,169
	Dividends received	**18,362**	2,964	**-**	-
	Interest received	**681**	-	**-**	-
ii.	**Joint ventures**				
	Dividends received	**36,644**	109,214	**-**	-
	Management fees	**180**	-	**180**	-
iii.	**Subsidiaries**				
	Management fees	**-**	-	**27,272**	25,755
	Dividends received	**-**	-	**162,050**	221,500
	Secondment fees	**-**	-	**768**	408
	Interest income on advances to subsidiaries	**-**	-	**53,635**	49,687
	Interest expense on advances from subsidiaries	**-**	-	**(36,362)**	(27,517)
iv.	**Other related parties**				
	Sales	**24,960**	31,853	**-**	-
	Purchases	**(11,885)**	(12,967)	**-**	-
	Purchases of assets	**(94)**	(2,625)	**-**	-
	Replacement of concession assets	**(71,817)**	(9,499)	**-**	-
	Interest received	**1,080**	14,104	**-**	-
	Brokerage fees on insurance policies	**(4,765)**	(4,196)	**-**	-
	Insurance on directors, staff and vehicles	**(1,042)**	(1,000)	**(1,042)**	(1,000)
	Secondment fees	**208**	35	**208**	35
	Rental income from estate	**1,410**	1,072	**1,410**	1,072

38. Related parties (continued)

Significant related party transactions (continued)

		Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
v.	**Key management personnel**				
	Directors of the Company				
	- Salary, bonus and defined contribution	**1,901**	2,392	**1,901**	2,392
	- Fees	**1,095**	1,063	**1,095**	1,063
	- Meeting allowances	**456**	431	**437**	396
	- Other allowances	**259**	450	**259**	450
	- Other remuneration	**575**	475	**455**	355
	- Estimated monetary value of benefits-in-kind	**120**	60	**120**	60
		4,406	4,871	**4,267**	4,716
	Directors of the subsidiaries				
	- Meeting allowances	**54**	47	**-**	-
	- Other remuneration	**385**	420	**-**	-
		439	467	**-**	-
	Other key management personnel				
	- Salary, bonus and defined contribution	**3,738**	3,525	**3,738**	3,525
		8,583	8,863	**8,005**	8,241

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

39. Acquisitions

39.1 Acquisition of subsidiaries – Zec Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd.

The Company previously held 49% equity interest in Zec Solar Sdn. Bhd. ("ZEC Solar") and 51% equity interests in TJZ Suria Sdn. Bhd. ("TJZ Suria") through a wholly-owned subsidiary, Malakoff Technical Solutions Sdn. Bhd. ("MTTSB"), and both entities were joint ventures of the Company. ZEC Solar owns and operates a 29MW large-scale solar facility in Kota Tinggi, Johor, under a 21-year SPPA, while TJZ Suria provides operations and maintenance services to ZEC Solar.

On 23 May 2024, the Company entered into a conditional Share Sale and Purchase Agreement ("SSPA") with a third party, Zelleco Engineering Sdn. Bhd. ("Zelleco") for the proposed acquisition of 51% equity interests in ZEC Solar and 49% equity interests in TJZ Suria, respectively, for an initial total purchase consideration of RM27,000,000.

On 31 January 2025, the Company completed the acquisition of the remaining 51% and 49% equity interests in ZEC Solar and TJZ Suria, respectively for a total cash consideration of RM29,000,000 from Zelleco. Following the completion of the acquisition, both ZEC Solar and TJZ Suria became wholly-owned subsidiaries of the Company.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired, and liabilities assumed at the acquisition date:

Fair value of consideration transferred

	Group 2025 RM'000
Cash and cash equivalents	**29,000**

Identifiable assets acquired and liabilities assumed

	Note	Group 2025 RM'000
Property, plant and equipment	2	**57**
Concession assets	5	**136,734**
Other investments		**3,973**
Trade and other receivables		**6,167**
Current tax assets		**35**
Cash and bank balances		**3,786**
Loans and borrowings	19	**(81,707)**
Lease liabilities	19	**(4,446)**
Deferred tax liabilities	12	**(4)**
Trade and other payables		**(18,096)**
Fair value of identifiable net assets		**46,499**

39. Acquisitions (continued)

39.1 Acquisition of subsidiaries – Zec Solar Sdn. Bhd. and TJZ Suria Sdn. Bhd. (continued)

Net cash outflow arising from acquisition of subsidiaries

	Group 2025 RM'000
Purchase consideration settled in cash and cash equivalents	**(29,000)**
Cash and cash equivalents acquired	**3,786**
	(25,214)

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	Group 2025 RM'000
Fair value of consideration transferred	**29,000**
Fair value of existing interest	**21,199**
Fair value of identifiable net assets	**(46,499)**
Goodwill*	**3,700**

* Included bargain purchase of RM71,000 arising from acquisition of TJZ Suria and has been recognised in other income in the Group's statements of profit or loss and other comprehensive income.

Acquisition-related costs

The Group incurred acquisition-related costs of RM172,000 related to external legal fees and professional costs. The legal fees and professional costs have been included in administrative expenses in the Group's consolidated statements of profit or loss and other comprehensive income.

39. Acquisitions (continued)

39.2 Acquisition of associate – E-Idaman Sdn. Bhd.

On 27 October 2023, Tuah Utama Sdn. Bhd. ("TUSB"), a wholly-owned subsidiary of the Company entered into a SSPA with a third party, Metacorp Berhad for the proposed acquisition of 49% equity interest in E-Idaman Sdn. Bhd. ("E-Idaman"). 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 28 February 2025, TUSB completed the acquisition of 49% equity interest in E-Idaman for a total cash consideration of RM118,500,000. Following the completion of the acquisition, E-Idaman became an associate of MCB.

For the year ended 31 December 2025, the share of profit from E-Idaman is RM11,972,000. If the acquisition had occurred on 1 January 2025, management estimates that the share of profit from E-Idaman for the financial year would have been RM14,072,000. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired, and liabilities assumed at the acquisition date:

Fair value of consideration transferred

	Group 2025 RM'000
Cash and cash equivalents	**118,500**

39. Acquisitions (continued)

39.2 Acquisition of associate – E-Idaman Sdn. Bhd. (continued)

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	Group 2025 RM'000
Fair value of consideration transferred	**118,500**
Fair value of identifiable net assets	**(52,517)**
Fair value of intangible assets	**(25,967)**
Goodwill	**40,016**

Fair value measurement

During the financial year, the Group completed the purchase price allocation in accordance with MFRS 3, *Business Combinations*.

The goodwill and intangible assets arising from the acquisition amounting to RM40,016,000 and RM25,967,000 respectively were measured and accounted for using the Multi-Period Excess Earnings Method ("MEEM") under income method.

Acquisition-related costs

The Group incurred acquisition-related costs of RM691,000 related to stamp duty, external legal fees and due diligence costs. The stamp duty, legal fees and due diligence costs have been included in administrative expenses in the Group's consolidated statements of profit or loss and other comprehensive income.

40. Significant and subsequent events

40.1 Tanjung Bin Energy Sdn. Bhd. ("TBE") Fire incident involving part of the plant's chimney and Flue Gas Desulfurisation ("FGD") System

On 2 October 2025, Tanjung Bin Energy power plant ("TBE") reported a fire incident involving part of the plant's chimney and Flue Gas Desulfurisation ("FGD") system. Nevertheless, the grid stability remains unaffected as TBE was on outage during the fire incident.

On 28 January 2026, TBE plant resumed full commercial operation after a successful chimney flue-can restoration work and implementation of FGD system bypass.

The financial losses arising from the fire incident were partially covered by insurance claims of RM115,000,000 while a new 5-year contract year block in January 2026 provides a reset of its unplanned outage rate ("UOR"), allowing rooms for TBE to manage its future operational issues.

40.2 Tanjung Bin Power Sdn. Bhd. ("TBP") Coal Unloader ("CUL 20") Collapsed

On 16 December 2025, the Group reported a safety incident during scheduled maintenance works at the Tanjung Bin Complex jetty, where the coal unloader ("CUL 20") collapsed. The jetty serves both the TBP plant and Tanjung Bin Energy Sdn. Bhd. ("TBE") plant. The collapse of CUL 20 resulted in damage to all three (3) conveyor belts used to transport coal from the jetty to the storage yard.

On 1 January 2026, the Department of Occupational Safety and Health ("DOSH") lifted the Notice of Prohibition ("NOP"), allowing dismantling and removal of the damaged CUL 20 structure to commence, together with repair works on the Line C conveyor belt. Line C has the largest capacity, capable of transporting up to 5,000 tonnes of coal per hour. The repair works are currently underway and are expected to be completed by March 2026.

The estimated cost for the dismantling and removal of the damaged structure amounts to RM11,674,000.

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 307 to 418 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Tan Sri Wan Zulkiflee bin Wan Ariffin
Chairman

.....
Lim Tau Kien
Director

Kuala Lumpur

16 March 2026

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Mohd Nazersham bin Mansor**, the officer primarily responsible for the financial management of Malakoff Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 307 to 418 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Mohd Nazersham bin Mansor, NRIC: 730416-14-5671, MIA CA34453, at Kuala Lumpur in the Federal Territory on 16 March 2026.

.....
Mohd Nazersham bin Mansor

Before me:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Malakoff Corporation Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 307 to 418.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. The matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group
Valuation of goodwill of Alam Flora Sdn. Bhd.

Refer to Note 6 – Intangible assets

The key audit matter	How the matter was addressed in our audit
The Group has goodwill amounting to RM153 million arising from the acquisition of Alam Flora Sdn. Bhd. ("AFSB") in 2019. In the previous year, the Group has recognised an impairment loss of RM10.2 million in profit or loss. We focused on goodwill arising from the acquisition of AFSB as the carrying amount is material and the impairment test is sensitive to a possible change in assumptions. There are significant judgements involved in forecasting and discounting of future cash flows, which is the basis of assessment of impairment over goodwill.	We performed the following audit procedures, among others: • We evaluated the Group's cash flow projections and the process by which they were developed. We compared the projections to business plans approved by the Board of Directors and also compared previous projections to actual results to assess the performance of the business and the accuracy of the forecasting; • We obtained confirmation that the key assumptions were subject to oversight from the Directors; • We evaluated and challenged the following key assumptions used in the cash flows projections: - Revenue – we assessed the reasonableness of the estimated revenue in the projections based on past actual revenue recorded and read the clauses in the service concession agreement governing tariff rate revisions; - Cost of sales – we assessed the reasonableness of private contractor costs used in the projections based on past actual costs incurred and incorporating inflationary factors; - Capital expenditures ("CAPEX") – we compared CAPEX assumptions in the cash flows to the budget approved by the Directors; and - Discount rate – our own valuation specialist compared the discount rate used against other industry players and external sources. • We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Key Audit Matters (continued)

Group
Investment in an associate – E-Idaman Sdn. Bhd.

Refer to Note 6 – Intangible assets, Note 8 – Investments in associates and Note 39 – Acquisitions

The key audit matter	How the matter was addressed in our audit
On 28 February 2025, Tuah Utama Sdn. Bhd., a wholly-owned subsidiary, completed the acquisition of 49% equity interest in E-Idaman Sdn. Bhd. ("E-Idaman") for a total cash consideration of RM118.5 million. Following completion of the acquisition, E-Idaman became an associate of the Group and is accounted for using the equity method in accordance with MFRS 128, Investments in Associates and Joint Ventures. This investment is material to the Group and requires us to incur considerable time and effort to assess the accounting issues from the transactions as follows: - Classification of the investment; - Review of fair value adjustments in relation to E-Idaman acquisition; and - Accounting treatment of the service concession arrangement.	We performed the following audit procedures, among others: • We read the Share Sale Agreement to ascertain that all Conditions Precedent have been met and checked the consideration paid and terms of payment; • We assessed the Shareholders' Agreements and ascertained that the classification of investment as an associate is appropriate; • We evaluated the appropriateness of the Group's assessment on the fair value of identifiable net assets. In particular for fair value of intangible assets, we involved our own valuation specialist to review the significant assumptions used by management in determining the fair value of intangible assets; • We reviewed the accounting treatment of the service concession arrangement; • We assessed the adequacy of disclosure in the financial statements.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAKOFF CORPORATION BERHAD (REGISTRATION NO. 200601011818 (731568-V)) (INCORPORATED IN MALAYSIA)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

16 March 2026

Eric Kuo Sze-Wei
Approval Number: 03473/11/2027 J
Chartered Accountant

SHAREHOLDINGS STATISTIC
AS AT 20 FEBRUARY 2026

Class of Securities : Ordinary shares
Issued and Paid-up Share Capital : RM5,693,055,098 with total number of issued shares of 5,000,000,000 ordinary shares (Inclusive of treasury shares of 113,038,700)
Voting Rights : One vote per ordinary share
Number of Shareholders : 17,825

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	302	1.69	3,067	0.00
100 to 1,000	3,304	18.54	1,747,995	0.03
1,001 to 10,000	8,580	48.14	44,891,678	0.92
10,001 to 100,000	4,922	27.61	155,222,326	3.18
100,001 to less than 5% of issued shares	711	3.99	926,510,012	18.96
5% and above of issued shares	6	0.03	3,758,586,222	76.91
TOTAL	**17,825**	**100.00**	**4,886,961,300***	**100.00**

** Excluding treasury shares of 113,038,700*

DIRECTORS' INTERESTS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS
Directors' Interest in the Company

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Tan Sri Wan Zulkiflee Wan Ariffin	-	-	-	-
Dato' Mohd Nazrul Izam Mansor	-	-	-	-
Datuk Rozimi Remeli	-	-	-	-
Dato' Mohd Naim Daruwish	-	-	-	-
Dr. Norida Abdul Rahman	-	-	-	-
Datuk Prakash Chandran Madhu Sudanan	-	-	-	-
Datuk Wira Roslan Ab Rahman	-	-	-	-
Puan Lim Tau Kien	-	-	-	-
Dato' Mohamad Razif Haji Abd Mubin	-	-	-	-

SHAREHOLDINGS STATISTIC
AS AT 20 FEBRUARY 2026

SHAREHOLDINGS STATISTIC
AS AT 20 FEBRUARY 2026

Substantial Shareholders according to the Register of Substantial Shareholders

No.	Name	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1	Anglo-Oriental (Annuities) Sdn. Bhd. (AOA) [1]	981,341,460	20.08	-	-
2	Employees Provident Fund Board [2]	904,721,298	18.51	-	-
3	MMC Corporation Berhad (MMC)	897,695,630	18.37	981,341,460 [3]	20.08
4	Kumpulan Wang Persaraan (Diperbadankan) [4]	333,653,834	6.83	-	-
5	Urusharta Jamaah Sdn. Bhd. [5]	327,662,100	6.70	-	-
6	Amanah Saham Bumiputera [6]	313,511,900	6.42	-	-
7	Seaport Terminal (Johore) Sdn. Bhd. (Seaport) [7]	-	-	1,879,037,090	38.45
8	Indra Cita Sdn. Bhd. (ICSB) [8]	-	-	1,879,037,090	38.45
9	Tan Sri Dato' Seri Syed Mokhtar Shah Syed Nor [9]	-	-	1,879,037,090	38.45

Notes:
[1] Of which 981,341,460 shares held through Bank Muamalat Malaysia Berhad.
[2] Of which 904,721,298 shares held through various accounts under Citigroup Nominees (Tempatan) Sdn. Bhd.
[3] Deemed interested in 981,341,460 shares held by AOA in Malakoff by virtue of its 100% direct shareholding in AOA.
[4] Of which 306,029,134 shares held through its own account and 27,624,700 shares held through various accounts under Citigroup Nominees (Tempatan) Sdn. Bhd.
[5] Of which 327,662,100 shares held through various Citigroup Nominees (Tempatan) Sdn. Bhd.
[6] Of which 313,511,900 shares held through Amanahraya Trustees Berhad.
[7] Deemed interested by virtue of its direct major shareholdings in MMC.
[8] Deemed interested through Seaport.
[9] Deemed interested through ICSB.

30 Largest Shareholders

No.	Name of Shareholders	No. of Shares	% of Issued Share Capital
1	BANK MUAMALAT MALAYSIA BERHAD PLEDGED SECURITIES ACCOUNT FOR ANGLO-ORIENTAL (ANNUITIES) SDN. BHD.	981,341,460	20.08
2	MMC CORPORATION BERHAD	897,695,630	18.37
3	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD	617,382,148	12.63
4	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. URUSHARTA JAMAAH SDN. BHD. (1)	322,603,100	6.60
5	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	313,511,900	6.41
6	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	306,029,134	6.26
7	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	277,565,350	5.68
8	LEMBAGA TABUNG HAJI	172,799,000	3.54
9	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 – WAWASAN	111,235,600	2.28
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	73,977,500	1.51
11	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	36,349,700	0.74
12	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	34,948,200	0.72
13	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	26,261,800	0.54
14	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 – DIDIK	24,567,400	0.50
15	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (PRINCIPAL EQITS)	22,000,000	0.45
16	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 3	20,473,600	0.42
17	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	19,004,200	0.39
18	SERAIMAS BINA SDN. BHD.	14,438,700	0.30
19	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. ETIQA FAMILY TAKAFUL BERHAD (FAMILY)	13,569,200	0.28
20	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (CGS CIMB)	9,773,800	0.20
21	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. ETIQA GENERAL TAKAFUL BERHAD (SHAREHOLDERS FUND - EQ)	9,637,700	0.20
22	CARTABAN NOMINEES (ASING) SDN. BHD. THE BANK OF NEW YORK MELLON FOR VANGUARD FTSE ALL-WORLD EX-US SMALL-CAP INDEX FUND	9,346,300	0.19
23	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR AIA BHD	9,246,700	0.19
24	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR AIA PUBLIC TAKAFUL BHD	8,812,200	0.18
25	HSBC NOMINEES (ASING) SDN. BHD. JPMCB NA FOR EMERGING MARKETS SMALL CAPITALIZATION EQUITY INDEX NONLENDABLE FUND	8,083,200	0.17
26	PUBLIC INVEST NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WENDY LAU SIE SIE (M)	8,000,000	0.16
27	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. ETIQA GENERAL TAKAFUL BHD (GENERAL 2)	7,496,500	0.15
28	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC	7,339,000	0.15
29	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. ETIQA LIFE INSURANCE BERHAD (LIFE PAR)	6,853,800	0.14
30	MAYBANK NOMINEES (ASING) SDN. BHD. NOMURA SINGAPORE LIMITED FOR NTS-BRANDON XCESS LIMITED (413041)	5,510,400	0.11
TOTAL		**4,375,853,222**	**89.54**

LIST OF PROPERTIES

PROPERTIES OWNED BY MALAKOFF CORPORATION BERHAD'S GROUP

The details of lands and buildings owned by us are set out below:

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
1.	Malakoff PN 356979 Lot 12248, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 30 July 2096	Industrial land/ The land is currently tenanted by Digi Telecommunications Sdn. Bhd. and is used as at base transceiver station for the operation of Digi Telecommunications Sdn. Bhd.'s cellular telephone network.	N/A	480 sq metre/ 14.5 Ha	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	4,071,268 Refer to note (2)
2.	Malakoff Refer to note (3) Windsor Estate, Ulu Sepetang 34010 Taiping, Perak Darul Ridzuan, Malaysia Freehold	Refer to note (3)/The lands are currently used for oil palm cultivation.	N/A	N/A/ 735.63 Ha	NIL	20,828,074 Refer to note (2)
3.	Malakoff Parcel no. 2A-8-1, 2A-8-2, 2A-9-1 and 2A-9-2, Plaza Sentral Level 8 and Level 9, Block 2A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (4)	Four office units on the 8th and 9th floor of a commercial building/ 9th floor currently is vacant and 8th floor currently is tenanted	24	1,228 sq metre	N/A	74,836
4.	Malakoff Parcel no. CS/3B/12-3, CS/3B/12-3A, CS/3B/12-5, CS/3B/12-6, CS/3B/12-7, CS/3B/13-3, CS/3B/13- 3A, CS/3B/13-5, CS/3B/13-6 and CS/3B/13-7, Plaza Sentral Level 12 and Level 13, Block 3B, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (4)	Ten office units on the 12th and 13th floor of a commercial building/ Currently are tenanted.	24	1,986 sq metre	N/A	-
5.	SEV HSD 29841 PT 6325, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the SEV Power Plant, which includes an administration building, a single-storey simulator training building, a single-storey clubhouse, a guard house, a gas turbine building, a steam turbine building, a fuel oil tank farm, a warehouse and a black start diesel generator building.	30	26,787 sq metre/ 148,400 sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	3,587,962 Refer to note (2)
6.	GB3 HSD 29843 PT 6327, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	24	12,384 sq metre/ 111,600 sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)
7.	GB3 HSD 29845 PT 6329, Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 12 January 2094	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	24	N/A/ 12,100sq metre	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)
8.	GB3 PN 356978 Lot 12247 Mukim of Pengkalan Baharu, District of Manjung, Perak Darul Ridzuan, Malaysia GB3 Sdn. Bhd., Lumut Power Plant, Persiaran Segari Off Highway 60, Daerah Manjung, 32200 Segari, Perak Darul Ridzuan, Malaysia Leasehold for a period of 99 years, expiring on 30 July 2096	Industrial land/The land is currently used for the GB3 Power Plant. This plant ceased operation on 30 Dec 2022 due to expiry of PPA.	24	1,095 sq metre/ 1.69 Ha	The land cannot be transferred, charged, leased without prior approval of the Menteri Besar of Perak.	Refer to notes (2) and (5)
9.	PD Power GRN 237771 Lot 13409, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for power plant.	31	5,560 sq metre/ 94,210 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
10.	PD Power GRN 237773 Lot 13411, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for electrical substation/The land is currently used for TNB switch yard and transmission for interconnection facilities.	31	N/A/ 5,459 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)

LIST OF PROPERTIES

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
11.	PD Power GRN 237774 Lot 13412, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for office building/The land is currently used for double-storey administration office building for the PDP Plant.	31	510 sq metre/ 4,654 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
12.	PD Power GRN 237776 Lot 13415, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Commercial or industrial land for gas station/ The land is currently used for PETRONAS Energy & Gas Trading Sdn. Bhd. gas metering equipment station and interconnection facilities.	31	N/A/ 7,392 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
13.	PD Power GRN 237768 Lot 13406, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/ Vacant land.	31	N/A/ 1,684 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
14.	PD Power GRN 237769 Lot 13407, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/Vacant land.	31	N/A/ 6,143 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
15.	PD Power GRN 237770 Lot 13408, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Agriculture land/Vacant land and pond.	31	N/A/ 6.641 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)

LIST OF PROPERTIES

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
16.	PD Power GRN 237775 Lot 13414, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for kids' playground/The land is currently used for public children playground.	31	N/A/ 5,345 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
17.	PD Power GRN 237777 Lot 13416, Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for residential/ The land is currently used for single-storey guard house building for the PDP Plant.	31	42 sq metre/ 3,225 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (6)
18.	PD Power HSD 21135 Lot 484, Mukim and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for multipurpose hall/ The land is currently used for multipurpose public hall.	31	760 sq metre/ 0.554 Ha	NIL	Refer to note (6)
19.	PD Power HSD 21134 Lot 483, Mukim and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Batu 2, Jalan Seremban, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building land for recreational field/The land is currently used for public football field and multipurpose court.	31	N/A/1.897 Ha	NIL	Refer to note (6)

LIST OF PROPERTIES

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
20.	PD Power 23 parcels of land held under GRN 35822 Lot 6976 to GRN 35830 Lot 6984, GRN 35832 Lot 6986 to GRN 35837 Lot 6991 and GRN 35884 Lot 7041 to GRN 35891 Lot 7048, all located at Pekan and District of Port Dickson, Negeri Sembilan Darul Khusus, Malaysia No. 1 to 9, No. 11 to 16, No. 117 to 124, Jalan Tun Sambanthan, Taman NLFCS, Tg. Gemuk, 71000 Port Dickson, Negeri Sembilan Darul Khusus, Malaysia Freehold	Building lands for low cost residential/ The land is currently erected with 23 units of low cost houses which are currently tenanted.	31	65 sq metre for each house/ 213 sq metre for GRN 35884 and 111 sq metre for each of the other lot.	NIL	NIL
21.	MTSSB Parcel no. CS/3B/13A-3, CS/3B/13A-4, CS/3B/13A-5, CS/3B/13A-6 and CS/3B/13A-7, Plaza Sentral Level 13A, Block 3B, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (7)	Five office units on the 13Ath floor of a commercial building. Currently are tenanted.	24	975 sq metre/ N/A	N/A	NIL
22.	M Utilities Level no. Minus 9M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The underground level of a commercial building/Currently used for district cooling plant/system (pumping room).	24	2,686 sq metre/ N/A	N/A	Refer to note (8)
23.	M Utilities Level no. 0M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The ground level of a commercial building/ Currently is tenant for training and office spares.	24	1,015 sq metre/ N/A	N/A	Refer to note (8)
24.	M Utilities Level no. 5.4M and 4.7M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The lower ground level of a commercial building/Currently is use for main distribution substation/system (switchgear room).	24	926 sq metre/ N/A	N/A	Refer to note (8)

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
25.	M Utilities Level Minus 6.5M, Building no. 4, Plaza Sentral Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia Freehold Refer to note (9)	The underground level of a commercial building/Currently used as the central control room and centralised chilled water plant room.	24	2,197 sq metre	N/A	Refer to note (8)
26.	DKSB HSD 30118 PT 34621, Mukim of Sitiawan, Perak Darul Ridzuan, Malaysia Near Jalan Teluk Rubiah, 32040 Seri Manjung, Perak, Malaysia Leasehold for a period of 99 years, expiring on 17 January 2109	Building land for residential/Vacant land.	N/A	N/A/ 11,684 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (10)
27.	TBE HSD 14674 PTD 2263, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia Leasehold for a period of 60 years, expiring on 17 September 2077	Industrial land for permanent jetty and any structure related thereto.	7	N/A/ 0.9454 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (11)
28.	TBE HSD 14673 PTD 2264, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia Leasehold for a period of 60 years, expiring on 17 September 2077	Industrial land for permanent jetty and any structure related thereto.	7	N/A/ 0.3753 Ha	The land cannot be transferred, charged, leased without prior approval of the State Authority.	Refer to note (12)
29.	Alam Flora HSD 51058 Lot PT No. 6108, Mukim of Sungai Buloh, District of Petaling, Selangor Darul Ehsan, Malaysia No. 74, Jalan SS21/39, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia Freehold	Industrial land/The land is erected with one (1) unit of 3 ½ storey intermediate terrace shop office storey building for commercial building and currently is tenanted.	35	1.650 sq ft/ 153.29 sq metre	N/A	5,500,000 Refer to note (13)

LIST OF PROPERTIES

LIST OF PROPERTIES

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Audited Net book value as at 31 December 2025 RM
30.	Alam Flora Pajakan Negeri 17254, Lot 40326, Mukim of Sungai Buloh, District of Petaling, Selangor Darul Ehsan; Lot 40326, Section U5 Shah Alam, Selangor Darul Ehsan, Malaysia No. 2, Jalan Utarid U5/18A, Mutiara Subang, Section U5, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia Leasehold for a period of 99 years expiring on 11 December 2096	Industrial land Depot for Alam Flora Wilayah Persekutuan Kuala Lumpur Service Area.	N/A	N/A/ 15,506 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	16,678,746
31.	Alam Flora HSD 4497, PT 26, District of Pekan, Pahang Darul Makmur, Malaysia Lot No. G-02, First Floor, Bangunan UMNO Pekan, Jalan Teng Que, 26600 Pekan, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 6 September 2119	1st floor of a commercial building for administration and operation office for Alam Flora Pahang Service Area.	17	3,329.75 sq ft/ 309.34 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	1,371,333
32.	Alam Flora HSM 16205, No. PT 22739, Mukim of Sungai Karang, District of Kuantan, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 23 August 2115	Industrial land Depot for Alam Flora Kuantan Service Area.	N/A	N/A/ 36,420 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	1,493,400
33.	Alam Flora Lot 2619, 2622, 215, 961, 1272, 1273, 1602 & 1791 in Mukim of Bentong, District of Bentong, Pahang Darul Makmur, Malaysia Freehold	Vacant agricultural land.	N/A	N/A/ 52.21 acres	N/A	15,000,000
34.	Alam Flora Lot Type C, No 90 Rompin, Held Under Individual Title HSM 943, PT No. 1460, Mukim of Bebar, District of Rompin, Muadzam Shah, Pahang Darul Makmur, Malaysia HSM 943 No. 3, Jalan Makmur 7, Presint Niaga, Bandar Satelit Muadzam Shah, 26700 Muadzam Shah, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 7 November 2111	Double-storey building for office use.	14	1,431.65 sqft/ 133 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	423,033
35.	AFES PN 2879 Title No. Pajakan Negeri 2879, Lot 95, Mukim Ulu Telom, District of Cameron Highlands, Pahang Darul Makmur, Malaysia Leasehold for a period of 99 years expiring on 13 September 2039	Vacant land.	N/A	N/A/ 3,968 sq metre	N/A	74,498
36.	AFES Title No. GM 2289, Lot 2901 and Title No. GM 2335, Lot 2950 both at Mukim 06, District Seberang Perai Tengah, Pulau Pinang, Malaysia No. 1, Jalan Nagasari 4, Taman Nagasari, 13600 Prai, Pulau Pinang, Malaysia Freehold	Industrial land/The land is erected with one and a half (1½) storey semidetached factory which is currently tenanted.	14	7,750 sq ft/ 1,375 sq metre	N/A	2,900,000 Refer to note (13)
37.	AFES Title No. HSD 493845 PTD 76034 of Mukim Tebrau, District of Johor Bahru, Johor Darul Takzim, Malaysia No. 7, Jalan Firma 3/1, Lot PLO 255, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim, Malaysia Freehold	Industrial land/The land is erected with a three (3) storey office building with an annexed single storey warehouse building which is currently tenanted.	10	5,099.4 sq metre/ 10,009.5 sq metre	The land cannot be transferred, charged, leased without prior approval of the State Authority.	7,900,000 Refer to note (13)
38.	AFES Title No. HS(D) 116410 PT 237 of Bandar Sultan Sulaiman, District of Klang, Selangor Darul Ehsan, Malaysia Lot 33, Lebuh Sultan Mohamed 1, Kawasan Perindustrian Bandar Sulaiman, 42000 Port Klang, Selangor Darul Ehsan, Malaysia Leasehold for a period of 99 years expiring on 30 June 2105	Single storey detached factory which is currently vacant.	19	23,370 sq metre	N/A	25,140,706
39.	MRAD Title No. GRN 57532 of Mukim Pulau Sebang, District of Alor Gajah, Melaka, Malaysia Lot 16277, Mukim Pulau Sebang, Alor Gajah, Melaka, Malaysia Freehold	Freehold agriculture land together with oil palm cultivation.	N/A	N/A/ 71.44 Ha	N/A	154,468,588

PROPERTIES OWNED BY MALAKOFF CORPORATION BERHAD'S GROUP (CONTINUED)

The details of lands and buildings owned by us are set out below (continued):

Notes:

1) These industrial lands are occupied by third parties.

2) Excluding buildings and fixtures on the land.

3) Malakoff is the registered proprietor of 43 parcels of land (Windsor Lands) which are collectively known as the Windsor Estate. The Windsor Estate is managed by Tradewinds Plantech Sdn. Bhd. for the provision of palm oil plantation, operation and management services. The said lands are used as agricultural land for commercial planting - oil palm, which are consistent with the express conditions in their respective issue document of title:

No.	Land titles no
	GM 297 Lot 4615, GM 7229 Lot 4309, GM 8667 Lot 130388, GRN 49012 Lot 5408^, GRN 53898 Lot 5538, GRN 53899 Lot 5539, GRN 59198 Lot 2665, GRN 66379 Lot 4136, GRN 66619 Lot 2790, GRN 154270 Lot 130401, GRN 154271 Lot 130402, GRN 154272 Lot 130403, GRN 154273 Lot 130405, GRN 155631 Lot 130393, GRN 155632 Lot 130394 and GRN 155633 Lot 130409
i.	All lands are located at Mukim of Batu Kurau, Districts of Larut and Matang, Perak Darul Ridzuan, Malaysia

No.	Land titles no
	GM 445 Lot 315, GM 446 Lot 332, GM 448 Lot 317, GM 451 Lot 316, GM 454 Lot 364*, GM 459 Lot 359, GM 460 Lot 361, GM 507 Lot 421, GM 511 Lot 437, GM 512 Lot 440, GM 516 Lot 473, GM 517 Lot 474, GM 518 Lot 475, GM 519 Lot 476, GM 520 Lot 477, GM 521 Lot 480, GM 522 Lot 481, GM 523 Lot 490, GM 549 Lot 629, GRN 45878 Lot 462, GRN 45879 Lot 690, GRN 45880 Lot 691, GRN 60574 Lot 504, GRN 62453 Lot 502, GRN 65982 Lot 408, GRN 59203 Lot 446 and GRN 181778 Lot 20924
ii.	All lands are located at Mukim of Kamunting, Districts of Larut and Matang, Perak Darul Ridzuan, Malaysia

4) Pursuant to the sale and purchase agreements dated 3 December 1999 and 21 June 2005 between Kuala Lumpur Sentral Sdn. Bhd. and Malakoff, respectively, the parcels identified above are held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles. Currently, this property lease by Alam Flora.

5) The audited NBV as at 31 December 2025 of the properties under items no. 6 to 8 stood at RM1,684,896. These properties were not audited on an individual basis.

6) The audited NBV as at 31 December 2025 of the properties under items no. 9 to 19 stood at RM12,896,000. These properties were not audited on an individual basis.

7) Pursuant to the sale and purchase agreement dated 17 December 1996 between Kuala Lumpur Sentral Sdn. Bhd. and TJSB, the parcel identified above is held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles. Currently, this property lease by Alam Flora.

8) The audited NBV as at 31 December 2025 of the properties under items no. 22 to 25 stood are at RM1. These properties were audited on individual basis.

9) Pursuant to the sale and purchase agreement dated 14 April 2005 between Kuala Lumpur Sentral Sdn. Bhd. and M Utilities, the parcels identified above are held under the master title GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur and currently pending issuance of strata titles.

10) The audited NBV of the property under item no. 26 as at 31 December 2025 is RM1, as the cost of the land was charged out as part of project expense.

11) The NBV of the property under item no. 27 as at 31 December 2025 is RM504,582. The land was recognised as part of Jetty asset and was not audited on an individual basis.

12) The NBV of the property under item no. 28 as at 31 December 2025 is RM271,120. The land was recognised as part of Jetty asset and was not audited on an individual basis.

13) The values of properties under items no. 29, 36 and 37 as at 31 December 2025 were based on valuation reports.

None of the properties disclosed above are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Rental RM
1.	TNB (as landlord)/PPSB (as tenant) HSD 50349 PT 10 and HSD 55959 PT 13, Bandar Prai, District of Seberang Perai Tengah, Pulau Pinang, Malaysia Prai Power Plant, Prai Power Station, Jalan Perusahaan, 13600 Prai, Pulau Pinang, Malaysia	Industrial land for power station/The land is currently used for the Prai Power Plant complex which includes turbine building, demineralisation plant, chemical lab, pump room, chlorination room, guard house, hydrogen cylinder store, H-boiler pump power station, fuel gas station, fuel oil pump house, foam station, programmable logic controller, building and electric fuel gas, inflammable material store, administration building and sheds and IPP pumphouse for Jetty area. Land of approximately 2,088.706 sq metre is sublet to Petronas Gas Berhad as per Sublet Agreement dated 10 September 2025.	23	6,954 sq metre/ 42.153 acres	A rental for a term of 3 + 3 years, commencing on 8 November 2024 and expiring on 7 November 2030.	Payment of RM1,776,000 per annum for the first term up to 7 Nov 2027, and RM1,864,800 per annum for the subsequent term up to 7 Nov 2030.
2.	Seaport (as lessor)/TBP (as lessee) HSD 11438 PTD 1859, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for heavy industries of power station only/The land is currently used for the TBPP complex and other related purpose.	20	238,716 sq metre/ 69.963 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
3.	Seaport (as lessor)/TBP (as lessee) HSD 10927 PTD 1773, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Building land for coal ash disposal pond Vacant land with mudflat area.	20	N/A/ 156.533 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
4.	Seaport (as lessor)/TBP (as lessee) HSD 10924 PTD 1771, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Commercial or industrial land for permanent jetty and any structure related thereto/ The land is currently erected with a permanent jetty and the structures related thereto including conveyor belt and coal unloaders.	20	N/A/ 1.730 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)

LIST OF PROPERTIES

LIST OF PROPERTIES

No	Name of registered owner/ (Beneficial owner, if applicable)/ Lot. no./Postal address Tenure	Description of property/ Existing use	Approximate age of buildings (years)	Built-up area/Land area	Restriction in interest/ encumbrances	Rental RM
5.	Seaport (as lessor)/TBP (as lessee) HSD 13031 PTD 2098, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal ash disposal pond/The land is currently used as ash pond for the TBPP.	20	N/A/ 91.024 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
6.	Seaport (as lessor)/TBP (as lessee) HSD 13032 PTD 2099, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Power Plant, Lot 1769 & Lot 1770, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal ash disposal pond/The land is currently used as ash pond for the TBPP.	20	N/A/ 0.597 Ha	A lease for a period of 45 years, expiring on 31 January 2048	Refer to note (1)
7.	Seaport (as lessor)/TBE (as lessee) HSD 13028 PTD 2095, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for power station and other related purposes only/The land is currently used for the TBE Power Plant.	10	N/A/ 8.118 Ha	A lease for a period of 45 years, expiring on 31 January 2048 Refer to note (2)	Refer to note (1) plus a nominal value of 10
8.	Seaport (as lessor)/TBE (as lessee) HSD 13029 PTD 2096, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for coal yard/ The land is currently used for the coal yard of the TBE Power Plant.	10	N/A/ 21.996 Ha	A lease for a period of 45 years, expiring on 31 January 2048 Refer to note (2)	Refer to note (1) plus a nominal value of 10
9.	SWW (as lessor)/TBE (as lessee) HSD 13393 PTD 2150, Mukim of Serkat, District of Pontian, Johor Darul Takzim, Malaysia Tanjung Bin Energy T4, Tanjung Bin, Serkat 82030 Pontian, Johor Darul Takzim, Malaysia	Industrial land for the petrochemical centre and the maritime industry/The land will be used for any other contingency to the TBE Power Plant.	10	N/A/ 0.444 Ha	A lease commencing from 7 March 2012 to the day before 21 March 2041 Refer to note (3)	NIL Refer to note (3)
10.	Lembaga Tabung Haji (as landlord)/ Malakoff (as tenant) Part of GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur, Level 7 to Level 13, Building no. 4, Plaza Sentral, Brickfields, Kuala Lumpur, Malaysia Level 7, 8, 10, 11, 12 and 13, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia	Six office units each on the 7th, 8th, 10th, 11th, 12th and 13th floor of a commercial building/ Currently used as office space by Malakoff.	24	6,732 sq metre/ N/A	Period of tenancy from 1 July 2024 until 30 June 2027	1) 369,556 per month (Jan - Aug 2025) 2) 399,120.70 per month (Sept - Dec 2025)
11.	Lembaga Tabung Haji (as landlord)/ M Utilities (as tenant) Part of GRN 46226, Lot 78 Section 0070, Town of Kuala Lumpur, Level Ground, Building no. 4, Plaza Sentral, Brickfields, Kuala Lumpur, Malaysia Suite 4-G-A, Ground Floor, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia	The ground level of a commercial building/Currently used as office space and as a Customer Service Center by M Utilities.	24	222 sq metre/ N/A	Period of tenancy from 1 July 2024 until 30 June 2027	20,332 per month
12.	Federal Lands Commissioner (as lessor)/ SUWTE (as lessee) H.S.(M) 322 PT 2430, Mukim Sg. Udang, Melaka Tengah, Melaka Sg. Udang WTE Sdn. Bhd. Level 12, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470, Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Land for the Waste-to-Energy Plant	N/A	N/A / 3.964 Ha	A lease for a period of 34 years, expiring on 19 June 2059	Lump sum payment of 333,200
13.	YPJ Plantations Sdn. Bhd. (as lessor)/ ZEC Solar Sdn. Bhd. (as lessee) HSD 53981 PTD 15833, Mukim Ulu Sungai Johor, Daerah Kota Tinggi, Johor ZEC Solar Sdn. Bhd. Level 12, Block 4, Plaza Sentral, Jalan Stesen Sentral 5, 50470, Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	29 MW Large Scale Solar Plant	N/A	N/A / 170.88 Ha	A lease for a period of 25 years, expiring on 1 September 2044	411,030 per annum

Notes:

1) Pursuant to the lease agreement dated 18 February 2003 and its supplemental agreements dated 1 October 2003 and 19 August 2014, respectively, between Seaport and TBP, the total rental of the lease for all four lots (and a parcel of land held under PTD 1858, which has been transferred to and registered with TNB in 2006 pursuant to the terms of the TBP PPA and is currently erected with a switchyard used for the Tanjung Bin Power Plant) is RM102,050,000 and has been paid by TBP in the manner as set out in the said agreements, with the final payment made on 14 March 2005 (i.e. prior to the registration of the lease). A portion of land title no. HSD 11438 PTD 1859 is sub-leased to TBE pursuant to a sub-lease agreement dated 29 February 2012 between TBP and TBE.

2) A presentation for registration of lease in favour of TBE and creation of charge over the lease in favour of TBE's financing parties for Lot PTD 2095 and PTD 2096 have been made to the Johor Land Office on 11 February 2015. The issuance of the new document of titles to TBE was completed on 12 March 2015.

3) Pursuant to the land lease agreement entered into between TBE and SWW dated 6 January 2016, a presentation for registration of lease in favour of TBE and creation of charge over the lease in favour of TBE's financing parties for Lot PTD 2150 have been made to the Johor Land Office on 16 February 2016. The issuance of new document of title to TBE was completed on 16 March 2016. The consideration for the lease of RM1,194,794 has been paid by TBE to SWW.

Save as disclosed above, where an application has been made to change the conditions of the land use, none of the properties disclosed above are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

NOTICE OF 20th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 20th ANNUAL GENERAL MEETING (AGM) OF MALAKOFF CORPORATION BERHAD (COMPANY) WILL BE HELD ON **THURSDAY, 30 APRIL 2026** AT **10.00 A.M.** AT **GLENMARIE BALLROOM, HILTON SHAH ALAM GLENMARIE, NO. 1, JALAN USAHAWAN U1/8, SEKSYEN U1, 40250 SHAH ALAM, SELANGOR, MALAYSIA** FOR THE PURPOSE OF CONSIDERING AND, IF THOUGHT FIT, PASSING THE FOLLOWING RESOLUTIONS:

ORDINARY BUSINESS

1. **"THAT** the Audited Financial Statements of the Company for the financial year ended 31 December 2025 and the Directors' Report and Auditors' Report thereon be and are hereby received."

   (Please refer to Explanatory Note 1)

2. **"THAT** Dato' Mohd Naim bin Daruwish who retires by rotation in accordance with Article 105 of the Company's Constitution be and is hereby re-elected as the Director of the Company". **Resolution 1**

   Datuk Rozimi bin Remeli, who also retires by rotation in accordance with Article 105 of the Company's Constitution, has expressed his intention not to seek re-election. Hence, he will retain office until the conclusion of the 20th AGM of the Company.

   (Please refer to Explanatory Note 2)

3. **"THAT** the following Directors who retire in accordance with Article 111 of the Company's Constitution be and are hereby re-elected as the Directors of the Company:

   (i) Tan Sri Wan Zulkiflee bin Wan Ariffin **Resolution 2**
   (ii) Dato' Mohd Nazrul Izam bin Mansor" **Resolution 3**

   (Please refer to Explanatory Note 2)

4. **"THAT** the payment of Directors' fees up to an amount of RM1,350,000 to the Non- Executive Directors (NED) with effect from the conclusion of the 20th AGM until the next AGM of the Company be and is hereby approved." **Resolution 4**

   (Please refer to Explanatory Note 3)

5. **"THAT** the payment of the following Directors' benefits with effect from the conclusion of the 20th AGM until the next AGM of the Company be and is hereby approved:

   (i) Directors' benefits up to an amount of RM1,600,000 to all NEDs by the Company; and **Resolution 5**
   (ii) Directors' benefits up to an amount of RM270,000 by the subsidiaries of the Company to the Directors." **Resolution 6**

   (Please refer to Explanatory Note 3)

6. **"THAT** Messrs. KPMG PLT, who are eligible and have given their consent for re-appointment, be and are hereby re-appointed as Auditors of the Company until the conclusion of the next AGM, AND THAT the remuneration to be paid to them be fixed by the Board of Directors." **Resolution 7**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolution with or without modifications:

7. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Shareholders' Mandate)** **Resolution 8**

   "THAT, subject to Paragraph 10.09 of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia), the Company and its subsidiaries (Group) be and are hereby authorised to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the Circular to Shareholders dated 31 March 2026, PROVIDED THAT such transactions are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group and at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

   THAT such approval shall continue to be in force until:

   (i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;

   (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (Act) (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

   (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

   whichever is earlier;

   AND THAT the Directors of the Company and its subsidiaries be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate as authorised by this Ordinary Resolution."

   (Please refer to Explanatory Note 4)

8. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

BY ORDER OF THE BOARD
Noor Raniz Mat Nor (MAICSA 7061903/SSM Practicing Certificate No. 201908001542)
Zaidatul Neezma Zainal Abidin (MACS 01677/SSM Practicing Certificate No. 202208000740)
Company Secretaries

Kuala Lumpur
31 March 2026

NOTICE OF 20th ANNUAL GENERAL MEETING

NOTICE OF 20th ANNUAL GENERAL MEETING

Notes:

1. The proxy form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgment cut-off time as mentioned above.
2. A member of the Company entitled to participate and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to participate and vote at his stead. A member of the Company may appoint up to two (2) proxies to participate at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Only depositors whose names appear on the Record of Depositors as at **22 April 2026** shall be entitled to register and participate in the meeting or appoint proxies to participate and/or vote on their behalf.
7. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
8. Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the AGM or such a time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.

Explanatory Notes on Ordinary Business:

1. Explanatory Note 1
Audited Financial Statements for the financial year ended 31 December 2025

This agenda item is meant for discussion only as provided under Section 340(1) of the Act and the Company's Constitution. The Audited Financial Statements do not require the shareholders' approval and hence, the matter will not be put forward for voting.

2. Explanatory Note 2
Re-election of Directors retiring in accordance with Article 105 and Article 111 of the Company's Constitution

The proposed ordinary resolutions 1, 2 and 3 of the 20th AGM are to seek the shareholders' approval on the re-election of the Directors standing for re-election in accordance with the Company's Constitution, who being eligible, have offered themselves for re-election.

i) Dato' Mohd Naim bin Daruwish who retires in accordance with Article 105

In deliberating the eligibility of the Directors standing for re-election at the 20th AGM, the Board Nomination and Remuneration Committee (BNRC) had taken into consideration the performance and contribution of each Director based on the outcome of the annual Board assessment conducted for the financial year 2025, the criteria prescribed by Paragraph 2.20A of MMLR of Bursa Malaysia on the qualification of Directors, fit and propriety as well as their active participation on the Board deliberations. The retiring Directors met the performance criteria required for an effective and committed Board.

Datuk Rozimi bin Remeli has informed the Company that he does not wish to seek for re-election and will therefore retire at the close of the 20th AGM.

ii) Tan Sri Wan Zulkiflee bin Wan Ariffin who retires in accordance with Article 111

Tan Sri Wan Zulkiflee is the newly appointed Independent Non-Executive Chairman of the Company since 1 March 2026. The BNRC's recommendation to re-elect Tan Sri Wan Zulkiflee was supported in view of his extensive leadership, governance and industry experience. Tan Sri Wan Zulkiflee has held senior executive and board-level roles, including as President and Group CEO of PETRONAS, Chairman of DRB-HICOM Berhad, Gas Malaysia Berhad, Nestlé (Malaysia) Berhad and EON Petromin Sdn. Bhd., and a former board member of Exxon Mobil Corporation. His strong background in governance, audit and risk oversight, coupled with his strategic insight and institutional knowledge, will continue to provide valuable guidance and stability to the Board.

iii) Dato' Mohd Nazrul Izam bin Mansor who retires in accordance with Article 111

The recommendation to re-elect Dato' Mohd Nazrul is supported by his vast knowledge and exposure gained through his career as Group Chief Executive Officer of FGV Holdings Berhad and previously FELCRA Berhad, where he led significant governance, operational and sustainability reforms. His strong grounding in finance, governance and ESG, coupled with his experience in managing complex stakeholder environments and driving organisational transformation.

The Board, after having considered the recommendations of the BNRC, is recommending the re-election of the abovementioned Directors for the shareholders' approval.

3. Explanatory Note 3
Directors' Remuneration

Section 230 (1) of the Act stipulates that the fees and any benefits payable to the directors of a listed company and its subsidiaries shall be tabled at a general meeting for the shareholders' approval.

The proposed ordinary resolutions 4, 5 and 6, if passed, will allow the payment of the following Directors' remuneration to the Directors on a monthly basis and/or as and when incurred within the approval period after the Directors have discharged their responsibilities and rendered their services to the Company and the subsidiaries.

(i) Directors' remuneration payable by the Company to all NEDs comprises the following:
   a) Directors' fees; and
   b) Benefits such as Board Committee allowances, meeting allowances, annual leave passage and/or annual supplemental fees, including allowance to the Chairman;

The proposed Directors' remuneration payable to the NEDs are summarised in the table below:

Board/Board Committees	Directors' Fees/Allowances (per member)		Meeting Allowances (per member)	
	Non-Executive Chairman (NEC)/ per month (RM)	NED/per month (RM)	NEC/per meeting (RM)	NED/per meeting (RM)
i) Board	30,000	9,000	2,500	2,500
ii) Board Audit Committee	4,000	2,500	2,500	2,500
iii) Board Nomination & Remuneration Committee	3,000	2,000	2,000	2,000
iv) Board Risk & Investment Committee	3,000	2,000	2,000	2,000
v) Board Procurement Committee	3,000	2,000	2,000	2,000

ITEMS	OTHER BENEFITS	
	NEC (RM)	PER NED (RM)
i) Annual leave passage & annual supplemental fees	25,000 per annum	25,000 per annum
ii) Car Allowance (petrol, toll and car maintenance) (Board Chairman only)	10,000 per month	N/A

(Note: each of the foregoing payments being exclusive of the others)

(ii) Directors' benefits payable by the subsidiaries of the Company to the Directors, comprising fixed allowances, meeting allowances or any other benefits.

The details of the Directors' fees and benefits paid to each Director for the financial year 2025 are disclosed in the Corporate Governance Overview Statement in the Integrated Annual Report 2025.

Explanatory Notes on Special Business:

4. Explanatory Note 4
Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPTs)

The proposed resolution 8, if passed, will empower the Group to enter into RRPTs with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 31 March 2026 which are necessary for the Group's day-to-day operations and/or in the ordinary course of business of the Group on normal commercial terms and to facilitate the conduct of the Group's business in a timely manner.

The proposal includes the proposed renewal of the existing shareholders' mandate for RRPTs that was approved by the shareholders at the 19th AGM.

Details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 31 March 2026 which is circulated together with the Integrated Annual Report 2025 of the Company.

5. Abstention from Voting

The Directors who are shareholders of the Company shall abstain from voting on the resolution concerning remuneration of the Directors and the Proposed Shareholders' Mandate (applicable to interested directors only), at the 20th AGM.

NOTICE OF BOOK CLOSURE AND NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT shareholders who are registered in the Record of Depositors at the close of business on 4 May 2026 shall be entitled to the final dividend which will be paid on 29 May 2026.

A depositor shall qualify for dividend entitlement only in respect of:

a) Shares transferred into the Depositor's securities account before 4.30 p.m. on 4 May 2026 in respect of ordinary transfers; and

b) Shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of Bursa Malaysia.

STATEMENT ACCOMPANYING NOTICE OF 20th ANNUAL GENERAL MEETING

(Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors retiring in accordance with the Company's Constitution and seeking for re-election are as follows:

Pursuant to Article 105 of the Company's Constitution

(i) Dato' Mohd Naim bin Daruwish

Pursuant to Article 111 of the Company's Constitution

(i) Tan Sri Wan Zulkiflee bin Wan Ariffin

(ii) Dato' Mohd Nazrul Izam bin Mansor

The profiles of the abovenamed Directors are stated in the Directors' Profile on pages 26 to 34 of the Integrated Annual Report 2025.

ADMINISTRATIVE DETAILS

ADMINISTRATIVE DETAILS FOR THE 20th ANNUAL GENERAL MEETING (AGM) OF MALAKOFF CORPORATION BERHAD (MALAKOFF OR THE COMPANY) TO BE HELD ON THURSDAY, 30 APRIL 2026 AT 10.00 A.M. AT GLENMARIE BALLROOM, HILTON SHAH ALAM GLENMARIE, NO. 1, JALAN USAHAWAN U1/8, SEKSYEN U1, 40250 SHAH ALAM, SELANGOR, MALAYSIA.

PARKING

Parking is available at the parking bays of the Hotel.

REGISTRATION

- Registration will start at 8.00 a.m. and registration counters will remain open until the conclusion of the AGM or such time as may be determined by the Chairman of the meeting.
- Please read the signage placed around the Hotel to ascertain where you should register for the AGM and join the queue accordingly.
- Please produce your original Identity Card (IC) during the registration for verification and ensure that you collect your IC thereafter. No person will be allowed to register on behalf of another person even with the original IC of that person.
- After the verification and registration, you will be given an identification tag and a food coupon (limited to one per shareholder/proxy present at the AGM regardless of the number of shareholder he/she represents). No lost food coupon or unclaimed food coupon will be replaced by the Company.
- Shareholders or proxies who are not present at the AGM are not entitled to the food coupon. If both the shareholder and his/her appointed proxy(ies) are present at the AGM, only one food coupon will be given to the shareholder or his/her proxy who registers first.
- No person will be allowed to enter the Ballroom without the identification tag.

F&B

- Light refreshment will be served before the AGM.
- Lunch will not be provided.

DOOR GIFT

No door gift will be distributed at the AGM.

RECORD OF DEPOSITORS FOR ATTENDANCE AT THE AGM

Only depositors whose names appear on the Record of Depositors as at 22 April 2026 shall be entitled to attend the AGM or appoint proxy(ies) to attend and/or vote on their behalf.

VOTING PROCEDURE

- All resolutions as set out in the Notice of the AGM of the Company will be put to vote by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- The Company's share registrars/poll administrator, Boardroom Share Registrars Sdn. Bhd., will assist to conduct the poll by way of electronic voting and the independent scrutineers will verify and validate the results of the poll at the AGM.
- For proxy enquiries, kindly contact Boardroom Share Registrars Sdn. Bhd. at 03-7890 4700.

PROXY FORM

Malakoff Corporation Berhad
(Registration No. 200601011818/731568-V)

No. of Ordinary Share(s) Held	
CDS Account No.	

I/We _____ NRIC/Passport/Registration No: _____
(Full name in block letters)

of _____ Tel No: _____
(Address in full)

being a member/members of Malakoff Corporation Berhad, hereby appoint:

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	(%)
Address:			
Email Address:	Telephone /Mobile Phone No.:		

and/or

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	(%)
Address:			
Email Address:	Telephone /Mobile Phone No.:		

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the 20th Annual General Meeting (AGM) of the Company to be held on Thursday, 30 April 2026 at 10.00 a.m. at Glenmarie Ballroom, Hilton Shah Alam Glenmarie, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor, Malaysia and at any adjournments thereof, on the following resolutions referred to in the Notice of the 20th AGM:

(Please indicate with an "X" in the space provided below how you wish your votes to be cast on the resolutions specified in the notice of meeting. If you do not do so, the proxy/proxies will vote or abstain from voting on the resolutions as he/they may think fit)

		FOR	AGAINST
1.	To receive the Audited Financial Statements of the Company for the Financial Year Ended 31 December 2025 and the Directors' Report and Auditors' Report thereon		
	ORDINARY BUSINESS		
2.	Re-election of Dato' Mohd Naim bin Daruwish who retires in accordance with Article 105 of the Company's Constitution **(Resolution 1)**		
3.	Re-election of Tan Sri Wan Zulkiflee bin Wan Ariffin who retires in accordance with Article 111 of the Company's Constitution **(Resolution 2)**		
4.	Re-election of Dato' Mohd Nazrul Izam bin Mansor who retires in accordance with Article 111 of the Company's Constitution **(Resolution 3)**		
5.	Payment of Directors' fees to the Non-Executive Directors with effect from the conclusion of the 20th AGM until the next AGM of the Company **(Resolution 4)**		
6.	Payment of Directors' benefits to the Non-Executive Directors with effect from the conclusion of the 20th AGM until the next AGM of the Company **(Resolution 5)**		
7.	Payment of Directors' benefits by the subsidiaries to the Directors with effect from the conclusion of the 20th AGM until the next AGM of the Company **(Resolution 6)**		
8.	Re-appointment of Messrs. KPMG PLT as Auditors of the Company **(Resolution 7)**		
	SPECIAL BUSINESS		
9.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPTs) **(Resolution 8)**		

Signed this ..... day of 2026

.....
Signature of member / Common Seal

Notes:

1. The proxy form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Portal at https://investor.boardroomlimited.com before the proxy form lodgement cut-off time as mentioned above.
2. A member of the Company entitled to participate and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to participate and vote at his stead. A member of the Company may appoint up to two (2) proxies to participate at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company, and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
7. Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the Annual General Meeting or such a time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.
8. Only depositors whose names appear on the Record of Depositors as at 22 April 2026 shall be entitled to participate in the AGM or appoint proxies to participate and/or vote on their behalf.

Please fold here to seal

Malakoff Corporation Berhad
20th Annual General Meeting

STAMP

To: **Boardroom Share Registrars Sdn. Bhd.**
(Registration No. 199601006647/378993-D)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan,
Malaysia

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GRI CONTENTS INDEX 2025

Statement of use : Malakoff Corporation Berhad has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2025 with refer`ence to the GRI Standards.

GRI 1 used : GRI 1: Foundation 2021

GRI Standard	Disclosure		Page Reference
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	**The Organisation and Its Reporting Practices**		
	2-1	Organisational details	6-11; 16-17
	2-2	Entities included in the organisation's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	Feedback-inside cover; 2
	2-4	Restatements of information	154; 156; 163; 169; 222-227; 237
	2-5	External assurance	246-249
	Activities and Workers		
	2-6	Activities, value chain and other business relationships	7-9; 94-128; 136-143
	2-7	Employees	174-197
	2-8	Workers who are not employees	176; 188-189
	Governance		
	2-9	Governance structure and composition	15; 24-43; 130; 250-272
	2-10	Nomination and selection of the highest governance body	15; 24-43; 130; 250-272
	2-11	Chair of the highest governance body	15; 25-26; 130
	2-12	Role of the highest governance body in overseeing the management of impacts	129-130
	2-13	Delegation of responsibility for managing impacts	130
	2-14	Role of the highest governance body in sustainability reporting	130
	2-15	Conflicts of interest	202-208; 250-272
	2-16	Communication of critical concerns	128-135; 126-143; 144-215; 250-272; 273-279; 280-282;
	2-17	Collective knowledge of the highest governance body	258-260
	2-18	Evaluation of the performance of the highest governance body	218; 250-272
	2-19	Remuneration policies	250-272
	2-20	Process to determine remuneration	250-272
	2-21	Annual total compensation ratio	Not disclosed due to confidentiality

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GRI Standard	Disclosure		Page Reference
	Strategy, Policies and Practices		
	2-22	Statement on sustainable development strategy	44-62; 70-76; 128-135
	2-23	Policy commitments	144-208
	2-24	Embedding Policy Commitments	77-82; 90; 144-208; 228-239; 250-272; 273-279; 280-286
	2-25	Processes to remediate negative impacts	77-82; 94-126; 127-135; 136-143; 144-215; 228-243; 250-272; 280-286
	2-26	Mechanisms for seeking advice and raising concerns	200-215; 250-272; 273-279; 280-286
	2-27	Compliance with laws and regulations	77-82; 140; 144-215; 250-272; 273-279
	2-28	Membership associations	United Nations Global Compact; Malaysia Carbon Market Association, Malaysia Independent Power Producers Association
	Stakeholder engagement		
	2-29	Approach to stakeholder engagement	136-143
	2-30	Collective bargaining agreements	193
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	3-2	List of material topics	128-135
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GRI 3: Material Topics 2021 GRI 302: Energy 2016 GRI 305: Emissions 2016	3-3	Management of material topics	149
	302-4	Reduction of energy consumption	152-155
	305-3	Other indirect (Scope 3) GHG emissions	156-160
	305-4	GHG emissions intensity	237-239
	305-5	Reduction of GHG emissions	158-160
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate	228-239

GRI Standard	Disclosure		Page Reference
Renewable Energy Transition			
GRI 3: Material Topics 2021	3-3	Management of material topics	150
GRI 302: Energy 2016	302-4	Reduction of energy consumption	150-151
GRI 305: Emissions 2016	305-5	Reduction of GHG emissions	150-151
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GRI 302: Energy 2016	302-1	Energy consumption within the organisation	153-154
	302-4	Reduction of energy consumption	153-155
GRI 305: Emissions 2016	305-4	GHG emissions intensity	237-239
	305-5	Reduction of GHG emissions	158-160
GHG Emissions			
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GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	158-160; 238-239
	305-2	Energy indirect (Scope 2) GHG emissions	158-160; 238-239
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GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	161-163
	306-2	Management of significant waste related impacts	161
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GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	164; 216-218
	306-2	Management of significant waste related impacts	164; 216-218
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GRI 3: Material Topics 2021	3-3	Management of material topics	168
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	168
	303-2	Management of water discharge-related impacts	169-170
	303-3	Water withdrawal	169-170
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GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value	171
	304-2	Significant impacts of activities, products, and services on biodiversity	171-173
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GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	176
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	403-3	Occupational health services	178
	403-4	Worker participation, consultation, and communication on occupational health and safety	179
	403-5	Worker training on occupational health and safety	179
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	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	176-182
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	404-2	Programs for upgrading employee skills and transition support	186, 189
	404-3	Percentage of employees receiving regular performance and career development reviews	187
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GRI 3: Material Topics 2021	3-3	Management of material topics	192
GRI 402: Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	193
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	193-195
	405-2	Ratio of basic salary and remuneration of women to men	195
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GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	193
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	205-2	Communication and training about anti-corruption policies and procedures	202-204
	205-3	Confirmed incidents of corruption and actions taken	205
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GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	211
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GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	211
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ABBREVIATIONS

Name/Item	Abbreviation
13th Malaysia Plan	13MP
Alam Flora Environmental Solutions Sdn. Bhd.	AFES
Alam Flora Sdn. Bhd.	Alam Flora
Anti-Bribery & Corruption Management Systems	ABMS
Anti-Bribery and Anti-Corruption	ABAC
Artificial Intelligence	AI
Audit and Assurance Practice Guide	AAPG 3
Battery Energy Storage System	BESS
Board Audit Committee	BAC
Board Nomination & Remuneration Committee	BNRC
Board Procurement Committee	BPC
Board Risk & Investment Committee	BRIC
Building Management System	BMS
Bursa Malaysia Securities Berhad	Bursa Malaysia
Capital Expenditure	CAPEX
Chief Financial Officer	CFO
Coal Supply and Transportation Agreement	CSTA
Combined-Cycle Gas Turbine	CCGT
Commercial & Industrial	C&I
Commercial Operation Date	COD
Companies Act 2016	Act
Computerised Maintenance Management System	CMMS
Conflict of Interest	COI
Corporate Governance	CG
Corporate Renewable Energy Supply Scheme	CRESS
Declared Annual Quantity	DAQ
Department of Environment	DOE
Dewan Bandaraya Kuala Lumpur	DBKL
Earnings Before Interest, Taxes, Depreciation & Amortisation	EBITDA
E-Idaman Sdn. Bhd.	E-Idaman
Electric Vehicle	EV
Emergency Response Team	ERT
Emirates Water and Electricity Company	EWEC
Employees Provident Fund	EPF
Energy Commission	EC
Engineering, Procurement, Construction and Commissioning	EPCC
Enterprise Risk Management Policy and Framework	ERMPF
Enterprise Risk Management System	ERMS
Environmental Impact Assessment	EIA
Environmental, Social and Governance	ESG
Environmentally Sensitive Areas	ERA
Fasility Inovasi Kitar Semula	FIKS
Federation of Malaysian Consumers Association	FOMCA
Federation of Malaysian Manufacturers	FMM
Fire and Rescue Department of Malaysia	BOMBA
Flue Gas Desulphurisation	FGD
Foreign Direct investments	FDI
Gas Supply Agreement	GSA
GB3 Power Plant	GB3

Name/Item	Abbreviation
Genesis Facilities Solutions Sdn. Bhd.	Genesis
Global Reporting Initiative	GRI
Greenhouse Gas	GHG
Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)	GHG Protocol
Grid System Operator	GSO
Gross Domestic Product	GDP
Group Chief Executive Officer	GCEO
Group Internal Audit	GIA
Health, Safety and Environment	HSE
Health, Safety, Security & Environment	HSSE
Heating, Ventilation, and Air Conditioning	HVAC
Hidd Power Company B.S.C. ©	HPC
Independent Non-Executive Director	INED
Independent Power Producer	IPP
Independent Water and Power Producer	IWPP
Industrial, Commercial & Institutional	ICI
Institute of Corporate Directors Malaysia	ICDM
Integrated Recycling Facility	IRF
Internationa Labour Organization	ILO
International Convention for the Prevention of Pollution from Ships	MARPOL
International Convention on Quality Control Circles	ICQCC
International Financial Reporting Standards	IFRS
International Sustainability Standards Board	ISSB
Internet of Things	IoT
Jabatan Perikanan Negeri Perak (Perak State Fisheries Department)	JPNP
Kapar Energy Ventures Sdn. Bhd.	KEV
Kementerian Peralihan Tenaga dan Transformasi Air (Ministry of Energy Transition and Water Transformation)	PETRA
Key Biodiversity Areas	KBA
Key Performance Indicators	KPI
KPI Ketidak patuhan	KKPI
Kuala Lumpur Headquarters	KLHQ
Large Scale Solar	LSS
Lembaga Air Perak	LAP
Light Fuel Oil	LFO
Limits of Authority	LOA
Loss Attributable to Equity Holders of the Company	LATMI
Lost Time Injury Frequency Rate	LTIFR
Malaysian Association of Risk and Insurance Management	MARIM
Main Market Listing Requirements	MMLR
Maintenance, Repair & Overhaul	MRO
Malakoff AlDJazair Desal Sdn. Bhd.	MADSB
Malakoff Apprentice Programme	MAP
Malakoff Corporation Berhad	Malakoff or the Group
Malakoff Gulf Limited	MGL
Malakoff Hidd Holding Company Limited	MHHCL
Malakoff International Limited	MIL

ABBREVIATIONS

Name/Item	Abbreviation
Malakoff Power Berhad	MPB
Malakoff Technical Solutions Sdn. Bhd.	MTSSB
Malakoff Utilities Sdn. Bhd.	MUSB
Malaysia Automotive Robotics and IoT Institute	MARii
Malaysia Renewable Energy Roadmap	MyRER
Malaysian Anti-Corruption Commission	MACC
Malaysian Anti-Corruption Commission Act 2009	MACC Act
Malaysian Environmental Quality Act 1974	EQA
Malaysian Green Tecnology and Climate Change Corporation	MGTC
Malaysian Independent Power Producers Association	MIPPA
Malaysian Industry-Government Group for High Technology	MIGHT
Malaysian Rating Corporation Berhad	MARC
Management Risk Committee	MRC
Management Sustainability Committee	MSC
Material Matters	MM
Mechanical and Electrical	M&E
Middle East and North Africa	MENA
Ministry of Energy and Natural Resources	KETSA
Ministry of Housing and Local Government	KPKT
Ministry of Natural Resources and Environmental Sustainability	NRES
Mitsubishi Power Ltd	Mitsubishi Power
Muscat City Desalination Company S.A.O.G.	MCDC
National Anti-Corruption Strategy	NACS
Rang Undang-Undang Perubahan Iklim (National Climate Change Bill)	RUUPIN
National Energy Policy 2022-2040	NEP
National Energy Transition Roadmap	NETR
National Sustainability Reporting Framework	NSRF
Net Energy Metering	NEM
Non-Destructive Testing	NDT
Non-Independent Non-Executive Director	NINED
Occupational Safety and Health	OSH
Occupational Safety and Health (Amendment) Act 2022	OSHA 2022
Open-Cycle Gas Turbine	OCGT
Operating Expenditure	OPEX
Operations & Maintenance	O&M
Original Equipment Manufacturer	OEMnet
Pembekalan Air Pulau Pinang	PBAPP
Perbadanan Putrajaya (Putrajaya Corporation)	PPJ
Personal Protective Equipment	PPE
Petroliam Nasional Berhad	PETRONAS
Photovoltaic	PV
Polis Diraja Malaysia	PDRM
Port Reception Facilities	PRF
Power and Water Purchase Agreements	PWPA
Power Purchase Agreement	PPA
Prai Power Plant	PPP
Profit Attributable to Equity Holders of the Company	PATMI
Profit Attributable to Owners and Minority Interests	PATMI

Name/Item	Abbreviation
Profit Before Tax	PBT
Public Listed Company/Companies	PLC
RAM Holdings Berhad	RAM
Recovery Initiative Sustainable Eco-Facility Kuala Lumpur	RISE
Recurrent Related Party Transactions	RRPT
Related Party Transactions	RPT
Renewable Energy	RE
Renewable Energy Certificate	REC
Royal Society for ther Prevention of Accidents	RoSPA
Safety & Health	S&H
Saudi-Malaysia Water & Electricity Company Limited	SAWAWEC
Scheduled Waste	SW
Segari Energy Ventures Sdn. Bhd.	SEV
Segari Power Plant	SEV
Shuaibah Expansion Holding Company Limited	SEHCO
Shuaibah Expansion Project Company	SEPCO
Shuaibah Water & Electricity Company Limited	SWEC
Small Hydropower	SHP
Solar Accelerated Transition Action Programme	Solar ATAP
Solar Power Purchase Agreement	SPPA
Solid Waste and Public Cleaning Management Corporation	SWCorp
Standard and Industrial Research Institute of Malaysia	SIRIM
Standard Operating Procedure	SOP
Sungai Udang Waste-to-Energy	SUWTE
Sustainability Accounting Standards Board	SASB
Sustainability, Research and Investor Relations	SRIR
Sustainable Facility & Eco Park Centre	SAFE-T
Syarikat Air Johor	SAR
Tanjung Bin O&M Berhad	TBOM
Tanjung Bin Energy Power Plant	TBEPP
Tanjung Bin Power Plant	TBPP
Tanjung Bin Power Sdn. Bhd.	TBP
Tenaga Nasional Berhad	TNB
Third-Party Access	TPA
Tlemcen Desalination Investment Company SAS	TDIC
TJZ Suria Sdn. Bhd.	TJZ Suria
Tuah Utama Sdn. Bhd.	TUSB
Unit Kerjasama Awam Swasta, Jabatan Perdana Menteri	UKAS
United Kingdom Department for Energy Security and Net Zero	UK DESNZ
United Nations Global Compact	UNGC
United Nations Sustainable Development Goals	UN SDG
Universiti Teknologi Malaysia	UTM
University Utara Malaysia	UUM
Variable Renewable Energy	VRE
Waste Management Association of Malaysia	WMAM
Waste-to-Energy	WTE
Water Purchase Agreement	WPA
Year-on-Year	YoY
ZEC Solar Sdn. Bhd.	ZEC Solar



MALAKOFF CORPORATION BERHAD

(Registration No. 200601011818 / 731568-V)

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