

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Period Ended 31 March 2026

	3 months ended 31.03.2026 RM'000 (Unaudited)	3 months ended 31.03.2025 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2026 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2025 RM'000 (Unaudited)
Revenue	1,373,544	2,027,884	1,373,544	2,027,884
Cost of sales	(1,313,476)	(1,739,145)	(1,313,476)	(1,739,145)
Gross profit	60,068	288,739	60,068	288,739
Other income	129,706	8,592	129,706	8,592
Administrative expenses	(64,765)	(62,313)	(64,765)	(62,313)
Reversal on impairment loss of investments in associates	12,800	-	12,800	-
Other operating expenses	(43,486)	(95,865)	(43,486)	(95,865)
Results from operating activities	94,323	139,153	94,323	139,153
Finance income	10,158	15,032	10,158	15,032
Finance costs	(106,437)	(117,406)	(106,437)	(117,406)
Net finance costs	(96,279)	(102,374)	(96,279)	(102,374)
Share of profit of equity-accounted associates and joint ventures, net of tax	28,579	21,675	28,579	21,675
Profit before tax	26,623	58,454	26,623	58,454
Tax expense	(2,549)	(15,950)	(2,549)	(15,950)
Profit for the period	24,074	42,504	24,074	42,504
Other comprehensive income/(expense), net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	-	(1,130)	-	(1,130)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	-	(238)	-	(238)
Share of gain/(loss) on hedging reserve of equity-accounted associates and joint ventures	3,269	(3,331)	3,269	(3,331)
Foreign currency translation differences for foreign operations	2,297	(1,592)	2,297	(1,592)
	5,566	(5,161)	5,566	(5,161)
Other comprehensive income/(expense) for the period	5,566	(6,291)	5,566	(6,291)
Total comprehensive income for the period	29,640	36,213	29,640	36,213

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	3 months ended 31.03.2026 RM'000 (Unaudited)	3 months ended 31.03.2025 RM'000 (Unaudited)	3 months ended 31.03.2026 RM'000 (Unaudited)	3 months ended 31.03.2025 RM'000 (Unaudited)
Profit attributable to:				
Equity holders of the Company	20,115	33,991	20,115	33,991
Non-controlling interests	3,959	8,513	3,959	8,513
Profit for the period	<u>24,074</u>	<u>42,504</u>	<u>24,074</u>	<u>42,504</u>
Total comprehensive income attributable to:				
Equity holders of the Company	25,681	27,700	25,681	27,700
Non-controlling interests	3,959	8,513	3,959	8,513
Total comprehensive income for the period	<u>29,640</u>	<u>36,213</u>	<u>29,640</u>	<u>36,213</u>
(Loss)/Earnings per ordinary share (sen)				
Basic	(0.15)	0.14	(0.15)	0.14

Condensed Consolidated Statements Of Financial Position
As at 31 March 2026

	As at 31.03.2026 RM'000 (Unaudited)	As at 31.12.2025 RM'000 (Audited)
Assets		
Property, plant and equipment	9,852,162	9,991,872
Right-of-use assets	98,216	110,270
Investment properties	16,300	16,300
Concession assets	284,381	234,531
Intangible assets	1,659,008	1,723,128
Investments in associates	727,753	712,316
Investments in joint ventures	719,472	708,583
Trade and other receivables	1,013	1,976
Deferred tax assets	332,958	328,517
Total non-current assets	13,691,263	13,827,493
Trade and other receivables	1,421,571	771,779
Inventories	869,994	992,073
Current tax assets	17,158	79,645
Other investments	992,183	593,848
Cash and cash equivalents	910,870	1,452,406
Total current assets	4,211,776	3,889,751
Total assets	17,903,039	17,717,244
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	297,545	291,979
Accumulated losses	(1,553,749)	(1,546,642)
Equity attributable to owners of the Company	4,338,204	4,339,745
Perpetual sukuk	800,000	800,000
Non-controlling interests	252,922	250,243
Total equity	5,391,126	5,389,988
Liabilities		
Loans and borrowings	6,403,901	6,556,688
Lease liabilities	13,138	22,736
Employee benefits	90,975	94,011
Provision for decommissioning costs	279,338	276,605
Provision for concession assets	131,972	131,276
Deferred income	2,152,724	2,202,564
Deferred tax liabilities	786,895	816,022
Total non-current liabilities	9,858,943	10,099,902

Condensed Consolidated Statements Of Financial Position
As at 31 March 2026

	As at 31.03.2026 RM'000 (Unaudited)	As at 31.12.2025 RM'000 (Audited)
Trade and other payables	1,321,837	1,101,750
Current tax liabilities	8,430	6,083
Loans and borrowings	994,403	786,889
Lease liabilities	13,217	13,772
Provision for concession assets	10,869	18,238
Employee benefits	11,367	7,775
Deferred income	292,847	292,847
Total current liabilities	2,652,970	2,227,354
Total liabilities	12,511,913	12,327,256
Total equity and liabilities	17,903,039	17,717,244
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.89	0.89

**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2026**

	/----- Attributable to owners of the Company -----/								Total Equity RM'000
	/----- Non-distributable -----/		Reserves		Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Translation RM'000	Hedging RM'000	Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	
At 1 January 2026	5,693,055	(98,647)	4,265	287,714	(1,546,642)	4,339,745	800,000	250,243	5,389,988
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	-	-
Foreign currency translation differences for foreign operations	-	-	2,297	-	-	2,297	-	-	2,297
Cash flow hedge	-	-	-	-	-	-	-	-	-
Share of gain on hedging reserve of equity-accounted associates and joint ventures	-	-	-	3,269	-	3,269	-	-	3,269
Other comprehensive income for the period	-	-	2,297	3,269	-	5,566	-	-	5,566
Profit for the period	-	-	-	-	20,115	20,115	-	3,959	24,074
Comprehensive income for the period	-	-	2,297	3,269	20,115	25,681	-	3,959	29,640
Distribution to holder of perpetual sukuk	-	-	-	-	(27,222)	(27,222)	-	-	(27,222)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(1,280)	(1,280)
At 31 March 2026	5,693,055	(98,647)	6,562	290,983	(1,553,749)	4,338,204	800,000	252,922	5,391,126

**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2026**

	/----- Attributable to owners of the Company -----/								Total Equity RM'000
	/----- Non-distributable -----/		Reserves		Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Translation RM'000	Hedging RM'000	Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests 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	-	-	-	-	(1,130)	(1,130)	-	-	(1,130)
Foreign currency translation differences for foreign operations	-	-	(1,592)	-	-	(1,592)	-	-	(1,592)
Cash flow hedge	-	-	-	(238)	-	(238)	-	-	(238)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(3,331)	-	(3,331)	-	-	(3,331)
Other comprehensive expense for the period	-	-	(1,592)	(3,569)	(1,130)	(6,291)	-	-	(6,291)
Profit for the period	-	-	-	-	33,991	33,991	-	8,513	42,504
Comprehensive income/(expense) for the period	-	-	(1,592)	(3,569)	32,861	27,700	-	8,513	36,213
Distribution to holder of perpetual sukuk	-	-	-	-	(27,373)	(27,373)	-	-	(27,373)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(6,960)	(6,960)
At 31 March 2025	5,693,055	(98,647)	20,602	290,291	(1,399,426)	4,505,875	800,000	239,842	5,545,717

Condensed Consolidated Statements Of Cash Flows
For the Period Ended 31 March 2026

	3 months ended 31.03.2026 RM'000 (Unaudited)	3 months ended 31.03.2025 RM'000 (Audited)
Cash flows from operating activities		
Profit before tax	26,623	58,454
Adjustments for :		
Non cash-items	258,039	272,774
Finance costs	106,437	117,406
Finance income	(10,158)	(15,032)
Share of profit of equity-accounted associates and joint ventures, net of tax	(28,579)	(21,675)
Operating profit before changes in working capital	<u>352,362</u>	<u>411,927</u>
<i>Changes in working capital:</i>		
Net change in current assets	(512,737)	(183,924)
Net change in current liabilities	232,417	269,918
Net change in non-current liabilities	(56,932)	(65,550)
Cash generated from operations	<u>15,110</u>	<u>432,371</u>
Tax paid, net	25,714	(20,524)
Net cash from operating activities	<u>40,824</u>	<u>411,847</u>
Cash flows from investing activities		
Additional investments in an associate	-	(118,200)
Change in other investments	(398,335)	(342,073)
Acquisition of subsidiaries, net of cash and cash equivalent acquired	-	21,200
Dividends received from associates	14,700	765
Interest received	8,583	9,737
Purchase of property, plant and equipment	(51,476)	(83,152)
Purchase of concession assets	(55,316)	-
Proceeds from disposal of property, plant and equipment	-	203
Net cash used in investing activities	<u>(481,844)</u>	<u>(511,520)</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(27,222)	(27,373)
Dividends paid to the non-controlling interests	(1,280)	(6,960)
Interest paid	(112,298)	(127,384)
Proceeds from borrowings	127,514	250,000
Repayment of borrowings	(83,069)	(122,666)
Payment of lease liabilities	(4,161)	(4,274)
Net cash used in financing activities	<u>(100,516)</u>	<u>(38,657)</u>

Condensed Consolidated Statements Of Cash Flows
For the Period Ended 31 March 2026

	3 months ended 31.03.2026 RM'000 (Unaudited)	3 months ended 31.03.2025 RM'000 (Audited)
Net decrease in cash and cash equivalents	(541,536)	(138,330)
Cash and cash equivalents at beginning of the period	1,452,406	1,375,368
Cash and cash equivalents at end of the period	910,870	1,237,038
Cash and cash equivalents comprise :		
Cash and bank balances	198,451	115,646
Deposits with licensed banks and other licensed corporations	712,419	1,121,392
	910,870	1,237,038

Notes to the interim financial statements

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, *Interim Financial Reporting* and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to the interim financial statements.

The audited financial statements of the Group for the financial year ended 31 December 2025 were prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The significant accounting policies adopted in these interim financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2025, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2026 as follows:

- 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*

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

2. Audit qualification

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2025 was not subject to any qualification.

3. Seasonal or cyclical factors

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

4. Unusual items

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

5. Changes in estimates

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

6. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter except for the following;

- i. Scheduled repayment of Tanjung Bin Energy Sdn. Bhd. (“TBE”) sukuk programme of RM65.0 million; and
- ii. Scheduled repayment of Malakoff Power Berhad (“MPB”) sukuk programme of RM6.0 million.

7. Dividends paid

There was no dividend paid during the current quarter ended 31 March 2026.

8. Segment reporting

The Group's segmental reporting for the financial period ended 31 March 2026 is as follows:

	<u>Power generation</u>			Waste Management and Environmental Services	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	Local	Foreign	Total		Local	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	1,117,092	-	1,117,092	215,631	40,821	-	40,821	-	-	-	1,373,544	-	1,373,544
Inter-segment revenue	-	-	-	15,184	176,436	5,120	181,556	(191,620)	(5,120)	(196,740)	-	-	-
Total segment revenue	1,117,092	-	1,117,092	230,815	217,257	5,120	222,377	(191,620)	(5,120)	(196,740)	1,373,544	-	1,373,544
Profit/(Loss) after tax	18,470	23,690	42,160	31,758	12,178	6,975	19,153	(61,137)	(7,860)	(68,997)	1,269	22,805	24,074

8. Segment reporting (cont'd)

The Group's segmental reporting for the financial period ended 31 March 2025 was as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue from external customers	1,800,834	-	1,800,834	218,435	8,615	-	8,615	-	-	-	2,027,884	-	2,027,884
Inter-segment revenue	-	-	-	2,667	161,599	28,784	190,383	(164,266)	(28,784)	(193,050)	-	-	-
Total segment revenue	1,800,834	-	1,800,834	221,102	170,214	28,784	198,998	(164,266)	(28,784)	(193,050)	2,027,884	-	2,027,884
Profit/(Loss) after tax	77,277	18,392	95,669	30,833	(44,482)	31,499	(12,983)	(39,491)	(31,524)	(71,015)	24,137	18,367	42,504

9. Property, plant and equipment

There was no revaluation of property, plant and equipment during the current quarter ended 31 March 2026 except for the amounts carried forward pertaining to certain Group properties that had been revalued in the past.

10. Changes in composition of the Group

MESB Project Management Sdn.Bhd. (“MESB PM”), an indirect wholly-owned subsidiary of the Malakoff Corporation Berhad (“MCB”) had on 28 March 2022 commenced the members’ voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016. On 31 March 2026, the voluntary winding-up process of MESB PM was completed and officially dissolved following a notification from Suruhanjaya Syarikat Malaysia (“SSM”).

11. Changes in contingent liabilities or contingent assets

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2025 except for the following bank guarantees issued to third parties:

	31.03.2026	31.12.2025
	RM’mil	RM’mil
Company and subsidiaries	<u>1,119.6</u>	<u>822.1</u>

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

12. Capital commitments

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

	31.03.2026	31.12.2025
	RM’mil	RM’mil
Property, plant and equipment:		
Authorised and contracted for	152.3	615.8
Authorised but not contracted for	<u>807.6</u>	<u>749.4</u>
	<u>959.9</u>	<u>1,365.2</u>

Additional information required by the Bursa Securities Listing Requirements**13. Review of performance****Quarter 1, 2026 vs Quarter 1, 2025**

For the quarter ended 31 March 2026, the Group recorded RM1,373.5 million in revenue, a decrease of RM654.4 million or 32.3% from the RM2,027.9 million as reported in the comparable quarter ended 31 March 2025. This was primarily due to lower energy and capacity payment from Tanjung Bin Power Sdn. Bhd. (“TBP”) affected by the steam turbine generator rotor failure at Unit 30 and generator hydrogen cooler leakage at Unit 20 as well as lower energy payment from Tanjung Bin Energy Sdn. Bhd. (“TBE”) following the fire incident in October 2025 involving Flue Gas Desulphurisation (FGD) facility and chimney tunnel. However, these were partially offset by higher energy payment from Segari Energy Ventures Sdn. Bhd. (“SEV”) in line with the increase in despatch factor. TBE plant was fully restored and resumed operation on 28 January 2026 while replacement for TBP’s hydrogen cooler at Unit 20 was completed and resumed operation on 12 April 2026.

The Group recorded lower profit before taxation of RM26.6 million in the current quarter, a decrease of RM31.9 million from profit before taxation of RM58.5 million as reported in the comparable quarter ended 31 March 2025. This was primarily due to lower contribution from TBP affected by the steam turbine generator rotor failure at Unit 30 and generator hydrogen cooler leakage at Unit 20, partially offset by the insurance claims receivables.

14. Variation of results against immediate preceding quarter**Quarter 1, 2026 vs Quarter 4, 2025**

The Group recorded profit before taxation of RM26.6 million in the current quarter as compared with loss before taxation of RM15.4 million as reported in the immediate preceding quarter, primarily due to no provision for Availability Target Penalty (“ATP”) at TBE as the new 5-year contract year block in January 2026 provides a reset of its unplanned outage rate (“UOR”).

15. Current prospects

Malaysia's Gross Domestic Product ("GDP") grew by 5.4% in the first quarter of 2026 (4Q 2025: 6.3%), supported by continued household spending, steady investment activities and sustained export growth particularly driven by electrical and electronics (E&E) segment. On the global front, Bank Negara Malaysia ("BNM") expects 2026 economic growth to expand at a more moderate pace largely constrained by the energy market disruptions, soaring oil prices and logistics bottlenecks from the ongoing Middle East conflict. (*source: BNM's Economic & Financial Developments in Malaysia in the First Quarter of 2026*).

On 2 March 2026, Malakoff Corporation Berhad ("MCB") entered into a second Reservation Agreement ("RA") with Mitsubishi Power, Ltd., a subsidiary of Mitsubishi Heavy Industries Ltd. for the reservation of two (2) sets of M701JAC gas turbines and gas turbine generators for the development of a new 1,400 MW gas-fired power plant development in the north region of Peninsular Malaysia. The second RA forms part of the Group's commitment to ensuring sufficient capacity as electricity consumption continues to grow.

On 9 March 2026, Prai Power Sdn. Bhd. ("PPSB"), a wholly-owned subsidiary of MCB, executed Purchase Power Agreement ("PPA") with TNB in relation to the four (4)-year extension of the PPSB plant's operation, commencing on 8 April 2026 and expiring on 31 March 2030. The PPA extension reflects the continued confidence in PPSB's plant operational stability and performance.

On 2 April 2026, MCB hosted the groundbreaking ceremony for the Sungai Udang Waste-to-Energy ("WTE") plant in Melaka, marking a significant milestone in the Group's renewable energy and sustainable infrastructure initiatives. The WTE plant is designed to process up to 1,056 tonnes of municipal solid waste per day and generate approximately 22 MW of gross renewable energy. The project is expected to reduce reliance on landfills with WTE playing an increasing role in managing waste more efficiently while turning domestic waste into useful resource.

The Group is on track to rebuild its coal inventory to meet the operational requirements for Tanjung Bin Power and Tanjung Bin Energy coal-fired power plants. Following extensive repair works on the collapsed coal unloader ("CUL 20") at the Tanjung Bin Complex jetty, line C conveyor belt having the largest capacity to move coals up to 5,000 tonnes per hour, resumed operations on 8 March 2026, while the remaining two (2) conveyor belts are expected to commence operation by the end of the second quarter of 2026.

As part of the Group's continuous efforts to enhance its non-concession business under the Environmental Solutions segment, Genesis Facility Solutions Sdn. Bhd. secured a two (2)-year cleaning service contract with Padi Beras Nasional Berhad ("BERNAS") for rice warehouse facilities across Sabah from 1 February 2026 to 31 December 2027.

Based on the foregoing, the Group remains prudent and cautiously optimistic on the overall performance for the financial year ending 31 December 2026.

16. Profit before tax

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

	3 months ended 31.03.2026	3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2026	Cumulative 3 months ended 31.03.2025
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(10.2)	(15.0)	(10.2)	(15.0)
Finance costs	106.4	117.4	106.4	117.4
Depreciation	209.2	201.2	209.2	201.2
Amortisation of intangibles assets	67.7	67.0	67.7	67.0
Reversal on impairment loss of investments in associates	(12.8)	-	(12.8)	-
Net foreign exchange loss	0.6	0.4	0.6	0.4

17. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 31 March 2026.

18. Tax expense

	3 months ended 31.03.2026	3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2026	Cumulative 3 months ended 31.03.2025
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	38.9	44.9	38.9	44.9
Deferred tax expense	(36.4)	(28.9)	(36.4)	(28.9)
Total tax expense	<u>2.5</u>	<u>16.0</u>	<u>2.5</u>	<u>16.0</u>

The Group's effective tax rate for the current financial year does not reflect the statutory tax rate primarily due to non-deductible expenses recorded by the Group.

19. Borrowings

	31.03.2026	31.12.2025
	RM'mil	RM'mil
Current		
- Secured	804.4	724.5
- Unsecured	190.0	62.4
	<u>994.4</u>	<u>786.9</u>
Non-current		
- Secured	<u>6,403.9</u>	<u>6,556.7</u>
	<u>7,398.3</u>	<u>7,343.6</u>

The breakdown of Group borrowings by currency is as follows:

	31.03.2026	31.12.2025
	RM'mil	RM'mil
Functional currency		
- RM	7,398.3	7,343.6
- USD	-	-
	<u>7,398.3</u>	<u>7,343.6</u>

20. Changes in material litigation

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

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

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

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 Sdn Bhd/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 SIAC appointed a substitute co-arbitrator.

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

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

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 16 March 2026, the Arbitral Tribunal has yet to provide further directions to the Malakoff Entities, pending its decision on Claim 1.

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

21. Dividend Payable

No interim dividend has been recommended by the Directors for the quarter ended 31 March 2026 (31 March 2025: Nil).

On 18 March 2026, the Board of Directors has approved and declared a final dividend of 0.86 sen per ordinary share in respect of the financial year ended 31 December 2025. The final dividend will be paid on 29 May 2026 to shareholders registered in the records of depositors at the close of the business on 4 May 2026.

22. (Loss)/Earnings per ordinary share

	3 months ended 31.03.2026	3 months ended 31.03.2025	Cumulative 3 months ended 31.03.2026	Cumulative 3 months ended 31.03.2025
Basic (Loss)/Earnings per Ordinary Share				
Profit for the period attributable to equity holders (RM mil)	20.1	34.0	20.1	34.0
Distribution to perpetual sukuk holder (RM mil) [#]	(27.2)	(27.4)	(27.2)	(27.4)
(Loss)/Profit for the period attributable to ordinary shareholders (RM mil)	(7.1)	6.6	(7.1)	6.6
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic (loss)/earnings per ordinary share (sen)	(0.15)	0.14	(0.15)	0.14

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

23. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 28 May 2026.

By Order of the Board
 Noor Raniz bin Mat Nor (MAICSA No.7061903)
 Zaidatul Neezma binti Zainal Abidin (MACS 01677)
 Secretaries
 Kuala Lumpur
 28 May 2026