

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Year Ended 31 December 2025

	3 months ended 31.12.2025 RM'000 (Unaudited)	3 months ended 31.12.2024 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2025 RM'000 (Unaudited)	Cumulative 12 months ended 31.12.2024 RM'000 (Audited)
Revenue	1,471,164	2,162,512	7,209,335	8,969,567
Cost of sales	<u>(1,485,685)</u>	<u>(1,921,473)</u>	<u>(6,508,652)</u>	<u>(7,835,736)</u>
Gross profit/(loss)	(14,521)	241,039	700,683	1,133,831
Other income	162,629	24,740	185,665	159,364
Administrative expenses	(62,046)	(60,732)	(245,899)	(233,119)
Net loss on impairment loss of investments in associates	-	(12,484)	-	(12,484)
Net reversal on impairment of financial instruments	-	109	-	109
Other operating expenses	<u>(37,494)</u>	<u>(65,318)</u>	<u>(157,377)</u>	<u>(263,522)</u>
Results from operating activities	48,568	127,354	483,072	784,179
Finance income	<u>11,869</u>	<u>13,558</u>	<u>57,261</u>	<u>68,449</u>
Finance costs	<u>(110,420)</u>	<u>(120,722)</u>	<u>(460,814)</u>	<u>(504,032)</u>
Net finance costs	(98,551)	(107,164)	(403,553)	(435,583)
Share of profit of equity-accounted associates and joint ventures, net of tax	<u>34,610</u>	<u>34,713</u>	<u>96,211</u>	<u>109,743</u>
Profit/(Loss)before tax	(15,373)	54,903	175,730	458,339
Tax expense	<u>(7,163)</u>	<u>(25,932)</u>	<u>(44,236)</u>	<u>(147,753)</u>
Profit/(Loss) for the period/year	<u>(22,536)</u>	<u>28,971</u>	<u>131,494</u>	<u>310,586</u>
Other comprehensive (expense)/income, net of tax				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities	(2,079)	(499)	(3,237)	(761)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	<u>-</u>	<u>(158)</u>	<u>(238)</u>	<u>(1,709)</u>
Share of gain/(loss) on hedging reserve of equity-accounted associates and joint ventures	<u>725</u>	<u>829</u>	<u>(5,908)</u>	<u>(2,218)</u>
Foreign currency translation differences for foreign operations	<u>(7,689)</u>	<u>6,981</u>	<u>(17,929)</u>	<u>(14,247)</u>
	<u>(6,964)</u>	<u>7,652</u>	<u>(24,075)</u>	<u>(18,174)</u>
Other comprehensive (expense)/income for the period/year	<u>(9,043)</u>	<u>7,153</u>	<u>(27,312)</u>	<u>(18,935)</u>
Total comprehensive (expense)/ income for the period/year	<u><u>(31,579)</u></u>	<u><u>36,124</u></u>	<u><u>104,182</u></u>	<u><u>291,651</u></u>

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
Quarterly Report on Unaudited Consolidated Results
For the Year Ended 31 December 2025

	3 months ended 31.12.2025 RM'000 (Unaudited)	3 months ended 31.12.2024 RM'000 (Unaudited)	12 months ended 31.12.2025 RM'000 (Unaudited)	12 months ended 31.12.2024 RM'000 (Audited)
Profit/(Loss) attributable to:				
Equity holders of the Company	(28,968)	26,031	96,060	268,686
Non-controlling interests	6,432	2,940	35,434	41,900
Profit/(Loss) for the period/year	<u>(22,536)</u>	<u>28,971</u>	<u>131,494</u>	<u>310,586</u>
Total comprehensive (expense)/income attributable to:				
Equity holders of the Company	(38,011)	33,184	68,748	249,751
Non-controlling interests	6,432	2,940	35,434	41,900
Total comprehensive (expense)/income for the period/year	<u>(31,579)</u>	<u>36,124</u>	<u>104,182</u>	<u>291,651</u>
Earnings/(Loss) per ordinary share (sen)				
Basic	(0.59)	0.53	0.84	4.44

Condensed Consolidated Statements Of Financial Position
As at 31 December 2025

	As at 31.12.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
Assets		
Property, plant and equipment	9,991,872	10,136,491
Right-of-use assets	110,270	106,947
Investment properties	16,300	16,300
Concession assets	101,023	113,203
Intangible assets	1,912,818	1,978,993
Investments in associates	712,316	593,388
Investments in joint ventures	708,583	709,111
Trade and other receivables	1,976	5,829
Deferred tax assets	328,517	287,982
Total non-current assets	13,883,675	13,948,244
Derivative financial assets	-	24,493
Trade and other receivables	771,779	1,536,173
Inventories	992,073	1,037,529
Current tax assets	79,645	173,653
Other investments	593,848	831,192
Cash and cash equivalents	1,452,406	1,375,368
Assets classified as held for sale	-	86,035
Total current assets	3,889,751	5,064,443
Total assets	17,773,426	19,012,687
Equity		
Share capital	5,693,055	5,693,055
Treasury shares	(98,647)	(98,647)
Reserves	291,979	316,054
Accumulated losses	(1,546,644)	(1,404,914)
Equity attributable to owners of the Company	4,339,743	4,505,548
Perpetual sukuk	800,000	800,000
Non-controlling interests	250,243	238,289
Total equity	5,389,986	5,543,837
Liabilities		
Loans and borrowings	6,556,688	7,016,119
Lease liabilities	22,736	16,646
Employee benefits	94,011	86,187
Provision for decommissioning costs	248,005	237,541
Provision for concession assets	131,276	180,151
Deferred income	2,202,564	2,401,935
Deferred tax liabilities	816,022	892,622
Total non-current liabilities	10,071,302	10,831,201

Condensed Consolidated Statements Of Financial Position
As at 31 December 2025

	As at 31.12.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
Trade and other payables	1,157,934	1,363,471
Current tax liabilities	6,083	5,697
Loans and borrowings	786,889	752,055
Lease liabilities	13,772	7,215
Provision for decommissioning costs	28,600	29,265
Provision for concession assets	18,238	132,353
Employee benefits	7,775	13,660
Deferred income	292,847	295,076
Liabilities classified as held for sale	-	38,857
Total current liabilities	2,312,138	2,637,649
Total liabilities	12,383,440	13,468,850
Total equity and liabilities	17,773,426	19,012,687
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.89	0.92

**Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2025**

	/----- Attributable to owners of the Company -----/								
	/----- Non-distributable -----/				Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Translation RM'000			Hedging RM'000						
At 1 January 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 liability	-	-	-	-	(3,237)	(3,237)	-	-	(3,237)
Foreign currency translation differences for foreign operations	-	-	(17,929)	-	-	(17,929)	-	-	(17,929)
Cash flow hedge	-	-	-	(238)	-	(238)	-	-	(238)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(5,908)	-	(5,908)	-	-	(5,908)
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
Comprehensive income/(expense) for the year	-	-	(17,929)	(6,146)	92,823	68,748	-	35,434	104,182
Distribution to holder of perpetual sukuk	-	-	-	-	(55,200)	(55,200)	-	-	(55,200)
Dividends to owners of the Company	-	-	-	-	(179,353)	(179,353)	-	-	(179,353)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(23,480)	(23,480)
Total distribution to owners	-	-	-	-	(179,353)	(179,353)	-	(23,480)	(202,833)
At 31 December 2025	5,693,055	(98,647)	4,265	287,714	(1,546,644)	4,339,743	800,000	250,243	5,389,986

**Condensed Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2025**

	/----- Attributable to owners of the Company -----/								
	/----- Non-distributable -----/				Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Reserves		Accumulated Losses RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Translation RM'000			Hedging RM'000						
At 1 January 2024	5,693,055	(98,647)	36,441	297,787	(1,438,891)	4,489,745	800,000	257,102	5,546,847
Remeasurement of defined benefit liabilities	-	-	-	-	(761)	(761)	-	-	(761)
Foreign currency translation differences for foreign operations	-	-	(14,247)	-	-	(14,247)	-	-	(14,247)
Cash flow hedge	-	-	-	(1,709)	-	(1,709)	-	-	(1,709)
Share of loss on hedging reserve of equity-accounted associates and joint ventures	-	-	-	(2,218)	-	(2,218)	-	-	(2,218)
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
Comprehensive income/(expense) for the year	-	-	(14,247)	(3,927)	267,925	249,751	-	41,900	291,651
Distribution to holder of perpetual sukuk	-	-	-	-	(51,665)	(51,665)	-	-	(51,665)
Dividends to owners of the Company	-	-	-	-	(182,283)	(182,283)	-	-	(182,283)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(60,713)	(60,713)
Total distribution to owners	-	-	-	-	(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

Condensed Consolidated Statements Of Cash Flows
For the Year Ended 31 December 2025

	12 months ended 31.12.2025 RM'000 (Unaudited)	12 months ended 31.12.2024 RM'000 (Audited)
Cash flows from operating activities		
Profit before tax	175,730	458,339
Adjustments for :		
Non cash-items	1,166,958	1,100,276
Finance costs	460,814	504,032
Finance income	(57,261)	(68,449)
Share of profit of equity-accounted associates and joint ventures, net of tax	(96,211)	(109,743)
Operating profit before changes in working capital	<u>1,650,030</u>	<u>1,884,455</u>
<i>Changes in working capital:</i>		
Net change in current assets	640,026	(183,535)
Net change in current liabilities	(179,644)	36,387
Net change in non-current liabilities	(351,569)	(265,377)
Cash generated from operations	<u>1,758,843</u>	<u>1,471,930</u>
Tax paid, net	(72,700)	(126,032)
Net cash from operating activities	<u>1,686,143</u>	<u>1,345,898</u>
Cash flows from investing activities		
Additional investments in an associate	(118,500)	-
Change in other investments	237,344	(343,112)
Acquisition of subsidiaries, net of cash and cash equivalent acquired	(18,801)	-
Dividends received from associates	18,360	2,964
Dividends received from joint ventures	36,644	109,214
Interest received	62,222	64,066
Acquisition of leasehold land	-	(1,448)
Purchase of property, plant and equipment	(626,253)	(462,459)
Purchase of concession assets	(766)	(2,937)
Proceeds from disposal of property, plant and equipment	6,688	18,960
Net cash used in investing activities	<u>(403,062)</u>	<u>(614,752)</u>
Cash flows from financing activities		
Distribution to perpetual sukuk holder	(55,200)	(51,665)
Dividends paid to the owners of the Company	(179,353)	(182,283)
Dividends paid to the non-controlling interests	(23,480)	(60,713)
Interest paid	(378,314)	(585,327)
Proceeds from borrowings	282,442	6,000
Repayment of borrowings	(835,259)	(1,020,911)
Payment of lease liabilities	(16,879)	(7,291)
Net cash used in financing activities	<u>(1,206,043)</u>	<u>(1,902,190)</u>

Condensed Consolidated Statements Of Cash Flows
For the Year Ended 31 December 2025

	12 months ended 31.12.2025 RM'000 (Unaudited)	12 months ended 31.12.2024 RM'000 (Audited)
Net increase/(decrease) in cash and cash equivalents	77,038	(1,171,044)
Cash and cash equivalents at beginning of the year	1,375,368	2,571,016
Cash and cash equivalents at end of the year	1,452,406	1,399,972
Cash and cash equivalents comprise :		
Cash and bank balances	679,834	171,255
Deposits with licensed banks and other licensed corporations	772,572	1,228,717
	1,452,406	1,399,972
Transfer to disposal group held for sale	-	(24,604)
Cash and cash equivalents in the statement of financial position	1,452,406	1,375,368

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 2024 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 2024 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 2024, except the Group adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2025 as follows:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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 2024 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 scheduled repayment of Malakoff Power Berhad sukuk programme of RM140.0 million.

7. Dividends paid

Since the end of 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.

8. Segment reporting

The Group's segmental reporting for the financial year ended 31 December 2025 is as follows:

	<u>Power generation</u>			<u>Waste Management and Environmental Services</u>	<u>Others</u>			<u>Elimination</u>			<u>Total</u>		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue from external customers	6,124,898	-	6,124,898	886,716	197,721	-	197,721	-	-	-	7,209,335	-	7,209,335
Inter-segment revenue	-	-	-	142,245	957,980	83,203	1,041,183	(1,100,225)	(83,203)	(1,183,428)	-	-	-
Total segment revenue	6,124,898	-	6,124,898	1,028,961	1,155,701	83,203	1,238,904	(1,100,225)	(83,203)	(1,183,428)	7,209,335	-	7,209,335
Profit/(Loss) after tax	159,839	107,966	267,805	133,081	96,852	95,949	192,801	(365,564)	(96,629)	(462,193)	24,208	107,286	131,494

8. Segment reporting (cont'd)

The Group's segmental reporting for the financial year ended 31 December 2024 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	7,919,093	-	7,919,093	855,974	194,500	-	194,500	-	-	-	8,969,567	-	8,969,567
Inter-segment revenue	-	-	-	16,506	1,038,545	279,301	1,317,846	(1,055,051)	(279,301)	(1,334,352)	-	-	-
Total segment revenue	7,919,093	-	7,919,093	872,480	1,233,045	279,301	1,512,346	(1,055,051)	(279,301)	(1,334,352)	8,969,567	-	8,969,567
Profit/(Loss) after tax	357,434	119,816	477,250	127,374	98,208	284,135	382,343	(385,935)	(290,446)	(676,381)	197,081	113,505	310,586

9. Property, plant and equipment

There was no revaluation of property, plant and equipment during the current quarter ended 31 December 2025 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

There was no change in the composition of the Group for the current quarter ended 31 December 2025.

11. Asset classified as held for saleProposed Disposal of a subsidiary

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 KJ Technical Services Sdn. Bhd., 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.

On 5 February 2026, the Company announced that the SPA has lapsed due to the non-fulfilment of the condition precedent following the expiry of the long stop date on 3 February 2026.

As a result, MUSB assets no longer meet the criteria of an asset held for sale.

12. Changes in contingent liabilities or contingent assets

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2024 except for the following bank guarantees issued to third parties:

	31.12.2025 RM'mil	31.12.2024 RM'mil
Company and subsidiaries	<u>822.1</u>	<u>837.2</u>

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

13. Capital commitments

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

	31.12.2025 RM'mil	31.12.2024 RM'mil
Property, plant and equipment:		
Authorised and contracted for	745.4	1,067.4
Authorised but not contracted for	<u>619.8</u>	<u>506.6</u>
	<u>1,365.2</u>	<u>1,574.0</u>

Additional information required by the Bursa Securities Listing Requirements**14. Review of performance****Quarter 4, 2025 vs Quarter 4, 2024**

For the quarter ended 31 December 2025, the Group recorded RM1,471.2 million in revenue, a decrease of RM691.3 million or 32.0% from the RM2,162.5 million reported in the comparable quarter ended 31 December 2024, primarily due to lower energy and capacity payment recorded from Tanjung Bin Energy Sdn. Bhd. (“TBE”) following the fire incident at the Flue Gas Desulphurisation (“FGD”) facility and chimney tunnel as well as lower energy and capacity payment recorded from Tanjung Bin Power Sdn. Bhd. (“TBP”) affected by the decline in applicable coal price (“ACP”) and steam turbine generator rotor failure at Unit 30. However, these were partially offset by higher energy payment recorded from Segari Energy Ventures Sdn. Bhd. (“SEV”) given the increase in despatch factor and reinstatement of revenue contribution from Malakoff Utilities Sdn. Bhd. (“MUSB”) following the expiry of the long stop date of the Sale and Purchase Agreement (SPA).

The Group recorded loss before taxation of RM15.4 million in the current quarter compared with profit before taxation of RM54.9 million as reported in the comparable quarter ended 31 December 2024. This was primarily due to TBE’s capacity payment loss and provision for Availability Target Penalty (“ATP”) arising from the fire incident involving FGD facility and chimney tunnel as well as TBP’s capacity payment loss affected by steam turbine generator rotor failure at Unit 30. However, these were partially offset by positive fuel margin recorded from TBP and TBE, reversal of net realisable value (“NRV”) provision for coal inventories at TBP given favourable coal price and recognition of insurance claims largely in relation to TBE’s fire incident.

Year-to-date, 2025 vs Year-to-date, 2024

For the year ended 31 December 2025, the Group recorded RM7,209.3 million in revenue, a decrease of RM1,760.3 million or 19.6% from RM8,969.6 million as reported in the comparable year ended 31 December 2024, primarily due to lower energy payment recorded from both TBE and TBP in line with the decline in ACP, SEV’s lower energy payment given the decrease in despatch factor, TBE’s lower capacity payment following the fire incident involving FGD facility and chimney tunnel as well as TBP’s lower capacity payment largely affected by steam turbine generator rotor failure at Unit 30.

The Group recorded profit before taxation of RM175.7 million, a RM282.6 million reduction of RM458.3 million as reported in the comparable year ended 31 December 2024. This was primarily due to TBE’s capacity payment loss arising from steam turbine crossover pipe leakage and fire incident involving FGD facility and chimney tunnel as well as TBP’s capacity payment loss largely affected by steam turbine generator rotor failure at Unit 30. However, these were partially offset by reversal of NRV provision for coal inventories at TBP given favourable coal price and recognition of insurance claims largely in relation to TBE’s fire incident.

15. Variation of results against immediate preceding quarter**Quarter 4, 2025 vs Quarter 3, 2025**

The Group recorded loss before taxation of RM15.4 million, a reduction of RM63.1 million from profit before taxation of RM47.7 million reported in the immediate preceding quarter, primarily due to TBE's capacity payment loss and provision for ATP arising from the fire incident involving FGD facility and chimney tunnel as well as TBP's capacity payment loss affected by steam turbine generator rotor failure at Unit 30 . However, these were partially offset by recognition of insurance claims largely in relation to TBE's fire incident and higher contribution from investments in associates.

16. Current prospects

Malaysia's Gross Domestic Product (“GDP”) advanced by 6.3% in the fourth quarter of 2025 (3Q 2025: 5.2%) primarily driven by higher household spending supported by positive labour market conditions and income-related policy support as well as strong investment growth activities underpinned by continued demand for electrical and electronics (E&E) exports following higher demand from the global technology expansion particularly for Artificial Intelligence (AI) related components (*source: Bank Negara Malaysia (“BNM”) Economic & Financial Developments Report as at 13 February 2026*).

The Energy Commission (“EC”), as part of the Government’s aims to address the growing electricity demand and ensure grid stability amidst a surge in data centres developments, has launched a competitive Request for Proposal (RFP) in 2025 for new/additional gas-fired power generation capacity. On 30 January 2026 MCB, following notification from EC, announced the operational extension until 31 December 2029 for three (3) of its gas power plants namely Prai Combined Cycle Gas Turbine (“CCGT”), GB3 Open Cycle Gas Turbine (“OCGT”) and SEV CCGT with a total capacity of 2,082MW. The extension reflects Malakoff’s continued commitment for a reliable energy supply while supporting Malaysia’s long-term energy transition goals.

On 28 January 2026, TBE plant resumed full commercial operation after a successful chimney flue-can restoration work and implementation of FGD system bypass due to the fire incident occurred on 2 October 2025. The financial losses arising from the fire incident were partially covered by insurance claims 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.

On 16 December 2025, MCB reported a safety incident during scheduled maintenance works, where the coal unloader (“CUL 20”) collapsed at the Tanjung Bin Complex jetty which serves TBP and TBE plants. The collapsed of CUL 20 has damaged all three (3) conveyor belts to transport coals 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) and works related to the dismantling and removing of the damaged CUL 20 structures and repair works on Line C conveyor belt, which has the largest capacity to move coals up to 5,000 tonnes per hour are underway, and works are expected to complete by March 2026.

On the Environmental Solutions front, Alam Flora Sdn Bhd (“Alam Flora”) on 18 December 2025, successfully received all deliveries comprising 154 compactors and 37 compactors power press from Terberg Tractors Malaysia Sdn Bhd combined with Isuzu chassis supplied by Automobile Automative Corporation Malaysia that are engineered for improved collection efficiency and reduce carbon emissions, meeting global environmental standards. The deliveries are in line with the Public Cleansing Reformation initiative by the Ministry of Housing and Local Government (“KPKT”) under the 13th Malaysia Plan (2026–2030), which aims to modernise waste management, enhance cleanliness, and adopt green technology.

The Group expects improved performance for the financial year ending 31 December 2026, supported by the commencement of the Prai CCGT operational extension in the second quarter of 2026 and the phased operational recovery of the coal unloading facilities at the Tanjung Bin Complex jetty.

17. Profit/(Loss) before tax

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

	3 months ended 31.12.2025	3 months ended 31.12.2024	Cumulative 12 months ended 31.12.2025	Cumulative 12 months ended 31.12.2024
	RM'mil	RM'mil	RM'mil	RM'mil
Finance income	(11.9)	(13.6)	(57.3)	(68.4)
Finance costs	110.4	120.7	460.8	504.0
Depreciation	207.8	190.9	840.3	778.2
Amortisation of intangibles assets	73.1	67.5	282.0	282.6
Net reversal on impairment of financial instruments	-	(0.1)	-	(0.1)
Net loss on impairment loss of investments in associates	-	12.5	-	12.5
Impairment loss on goodwill	-	10.2	-	10.2
Property, plant and equipment written off	22.6	1.8	26.0	5.7
Gain arising from compensation for compulsory land acquisition	-	-	-	13.5
Net foreign exchange (gain)/loss	(0.3)	(0.3)	0.3	(0.3)

18. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter ended 31 December 2025.

19. Tax expense

	3 months ended 31.12.2025	3 months ended 31.12.2024	Cumulative 12 months ended 31.12.2025	Cumulative 12 months ended 31.12.2024
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	30.6	27.1	167.9	111.1
Deferred tax expense	(23.4)	(1.2)	(123.7)	36.7
Total tax expense	<u>7.2</u>	<u>25.9</u>	<u>44.2</u>	<u>147.8</u>

The Group's effective tax rate for the current year under review was lower than the statutory income tax rate primarily due to the under provision of deferred tax assets in the prior year.

20. Status of corporate proposal announced

On 3 February 2025, the Company entered into a conditional Sale and Purchase Agreement (“SPA”) with KJ Technical Services Sdn. Bhd. (“KJTSSB”), a wholly-owned subsidiary of KJTS Group Berhad for the proposed disposal of its entire 100% equity interest in Malakoff Utilities Sdn. Bhd., a wholly-owned subsidiary of the Company for a total cash consideration of RM65,500,000.

On 5 February 2026, the Company announced that the SPA has lapsed due to the non-fulfilment of the condition precedent following the expiry of the long stop date on 3 February 2026. The Company does not plan to further extend the long stop date and has refunded to KJTSSB the full deposit.

Saved for the above, there was no corporate proposal announced and/or pending completion as at the date of this announcement.

21. Borrowings

	31.12.2025	31.12.2024
	RM'mil	RM'mil
Current		
- Secured	756.9	722.1
- Unsecured	30.0	30.0
	<u>786.9</u>	<u>752.1</u>
Non-current		
- Secured	<u>6,556.7</u>	<u>7,016.1</u>
	<u>7,343.6</u>	<u>7,768.2</u>

The breakdown of Group borrowings by currency is as follows:

	31.12.2025	31.12.2024
	RM'mil	RM'mil
Functional currency		
- RM	7,343.6	7,686.2
- USD	-	82.0
	<u>7,343.6</u>	<u>7,768.2</u>

22. Changes in material litigation

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

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

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

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.

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.

23. Dividend Payable

Announcement on the final dividend for the financial year ended 31 December 2025 will be made upon the finalisation of the Audited Financial Statements in March 2026.

24. Earnings/(Loss) per ordinary share

	3 months ended 31.12.2025	3 months ended 31.12.2024	Cumulative 12 months ended 31.12.2025	Cumulative 12 months ended 31.12.2024
Basic Earnings/(Loss) per Ordinary Share				
Profit/(Loss) for the period attributable to equity holders (RM mil)	(29.0)	26.0	96.1	268.7
Distribution to perpetual sukuk holder (RM mil) [#]	-	-	(55.2)	(51.7)
Profit/(Loss) for the period attributable to ordinary shareholders (RM mil)	(29.0)	26.0	40.9	217.0
Weighted average number of ordinary shares (mil)	4,887.0	4,887.0	4,887.0	4,887.0
Basic earnings/(loss) per ordinary share (sen)	(0.59)	0.53	0.84	4.44

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.

25. Authorisation for issue

The interim financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 25 February 2026.

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