



## KERATAN AKHBAR

SURAT KHABAR	:	NEW STRAITS TIMES		
TARIKH	:	21/5/2021	MUKA SURAT	: 18
JABATAN	:	SEKTOR TENAGA		
KLASIFIKASI	:	<b>PERHATIAN</b>		

NST Business 21/5/2021 m/s 18

### WEAKER-THAN-EXPECTED RESULTS

## ‘Growth outlook remains challenging for Malakoff’

**KUALA LUMPUR:** Malakoff Corp Bhd’s growth outlook remains challenging after the company posted weaker-than-expected first quarter results, said analysts.

Malakoff’s net profit dropped 32.22 per cent to RM60.44 million in the first quarter ended March 31, from RM89.18 million in the same period last year.

The independent water and power producer said this was mainly due to lower contributions from its Tanjung Bin Power Sdn Bhd and Tanjung Bin Energy Sdn Bhd coal plants.

Affin Hwang Capital said Malakoff’s growth prospect was challenging as the government was unlikely to issue any new tenders for conventional power plants until 2024.

Despite the lower electricity sales quarter-on-quarter, Affin Hwang said Malakoff was still able to increase its core net profit by 39 quarter-on-quarter, mainly driven by cost-cutting measures.


“We continue to believe that cost savings remain the key to drive Malakoff’s earnings, given the lack of growth prospects, as around 17 per cent of its capacity is expiring in 2023/2024.”

Malakoff said the lower first quarter profit was due to the Tanjung Bin Power and Tanjung Bin Energy plants having seen lower applicable coal price.

It was also due to a decrease in despatch factor at subsidiary Segari Energy Ventures Sdn Bhd’s gas-fired plant.

Malakoff managing director and chief executive officer Anwar Syahrin Abdul Ajib said he expected the company’s overall performance to remain satisfactory for the financial year ending Dec 31.

“The group will continue to focus on ensuring the optimal availability and reliability of its power plants while pursuing growth in the renewable energy and waste management and environmental services sectors.”



*Malakoff Corp Bhd has reported lower contributions from its Tanjung Bin Power Sdn Bhd and Tanjung Bin Energy Sdn Bhd coal plants in the first quarter of this year.*