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## Malakoff's Prai Power enters PPA with TNB for 4-year extension

The Malaysian Reserve, Malaysia



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The extension will take effect from Scheduled Commercial Operation Date and will run until March 31, 2030

by TMR

**MALAKOFF** Corp Bhd's subsidiary, Prai Power Sdn Bhd (PPSB), has executed a Power Purchase Agreement (PPA) with Tenaga Nasional Bhd (TNB) for the four-year extension of its 350 megawatts (MW) combined-cycle gas turbine power plant (CCGT), Prai Power Plant (PPP) located in Penang.

The extension will take effect from the Scheduled Commercial Operation Date, which shall be no later than April 1, 2026, and will run until March 31, 2030.

This extension builds on PPP's long and established operating history, following the expiry of its original 21-year PPA on June 19, 2024, and the subsequent one-year interim extension until Aug 31, 2025.

The continued engagement reflects the plant's reliable operating performance and its ongoing role in supporting electricity supply within Peninsular Malaysia.

The PPA sets out the rights and obligations of both parties in relation to the generation and sale of electricity, including the requirement for PPP to make generating capacity available to TNB in accordance with operational and performance standards under the agreement.

The extension comes at a time when electricity demand continues to grow, driven by industrial expansion, digitalisation and increasing demand from energy-intensive sectors such as data centres.

CCGT power plants such as PPP continue to play an important role in providing dependable and flexible generation capacity, while supporting Malaysia's broader transition towards a lower-carbon energy mix.

The PPA is expected to contribute posi-



Pics courtesy of Malakoff

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tively to the earnings and net assets of Malakoff over the duration of the agreement.

Malakoff group CEO Syahrulizam Samsudin said the extension reinforces the company's continued role in supporting the nation's evolving energy needs.

"Electricity demand in Malaysia continues to grow, particularly with the expansion of industries such as data centres which require reliable and stable power supply.

"The execution of this PPA allows PPP to resume operations and continue contributing dependable generation capacity to the national grid," he said in a statement.

He added that with its proven operating track record, the plant remains well positioned to support the grid as demand continues to expand.



**Syahrulizam says the extension reinforces the company's continued role in supporting the nation's evolving energy needs**

This extension also allows the group to continue leveraging existing infrastructure and operational expertise to deliver reliable power while the country gradually expands its renewable energy (RE) capacity.

As Malakoff continues its transformation journey, this PPA execution reflects the company's ongoing focus on maintaining reliable electricity supply while supporting Malaysia's longer-term energy transition ambitions, guided by its purpose of "Enhancing Life, Enriching Communities".