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Malakoff signs new PPAs

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by TMR

MALAKOFF Corporation Berhad on May 18 announced that two of its subsidiaries, namely GB3 Sdn Bhd (GB3) and Segari Energy Ventures Sdn Bhd (SEV), have executed new Power Purchase Agreements (PPAs) with Tenaga Nasional Berhad (TNB), for the extension of operations for the 429 MW Open Cycle Gas Turbine GB3 power plant and the 1,303 MW Combined Cycle Gas Turbine SEV power plant, both located in Lumut, Perak.

The renewal of the Lumut power plants was achieved through Malakoff's success in securing extensions for its three gas-fired power plants following the Energy Commission's (EC) Category 1 proposal for the extension of existing gas-fired generation assets confirmed in January this year.

The new PPAs for the Lumut power plants provide for the Scheduled Commercial Operation Dates to commence no later than Jan 1, 2027, for the GB3 plant and July 1, 2027, for the SEV plant, with both agreements expiring on Dec 31, 2029.

Malakoff's Prai power plant in Penang was the earliest to receive an extension, marking the commencement of its extended operations on April 9, 2026, running until March 31, 2030.

These PPAs form the new contracts with TNB which allowed these plants to continue generating and delivering electricity to the national grid, securing reliable power supply and reinforcing the nation's energy security as demand continues to grow.

The SEV power plant has been running since 1996, while the GB3 power plant started operations in 2001.

These long-standing assets have reliably supported electricity supply across Peninsular Malaysia for years. Together, the two plants will provide 1,732 MW of dependable



These PPAs mark another step in Malakoff's commitment to advancing the nation's RE agenda and energy transition efforts

and flexible generation, helping to keep the national grid stable and maintain adequate reserve margins especially during peak demand periods.

Commenting on the execution of the new PPAs, Malakoff Group CEO Syahrulnizam Samsudin said the milestone reaffirms that Malakoff remains the backbone of Malaysia's power sector, with the track record and capacity to deliver reliable energy for the long term.

"These power plants have supported the national grid with a consistent and reliable performance record over many years. Extending their operations is a practical and responsible step as it allows proven gas-fired facilities to continue contributing the flexible, dispatchable capacity that the national grid requires, particularly during

periods of strong demand, while making effective use of existing infrastructure in a cost-efficient manner.

"Malaysia's continued growth depends on having a power supply that is dependable and consistent. These are well-established plants with strong operational track records. Extending their operations ensures that reliability is sustained without interruption, even as we work toward building the energy system of the future," he said in a statement.

He added that the new PPAs are also expected to contribute positively to Malakoff's earnings and net assets over the extension period, reflecting the long-term value of disciplined asset management and keeping its Energy business strong as a key

pillar of the Malakoff Group.

The execution of these PPAs is a reflection of Malakoff's long-standing commitment to the nation.

"As Malaysia's largest independent power producer (IPP), we remain focused on what we have always done best, which is delivering energy that people and industries can depend on, in line with our purpose of 'Enhancing Life, Enriching Communities'," Syahrulnizam said.

