

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2023**

UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME ⁽¹⁾

	NOTE	Individual Quarter		Cummulative Period	
		Current year quarter 31/12/2023 RM'000	Preceding year quarter 31/12/2022 RM'000	Current year to date 31/12/2023 RM'000	Preceding year to date 31/12/2022 RM'000
Revenue		557,717	440,557	2,280,844	1,726,341
Cost of sales		(497,245)	(409,840)	(1,885,001)	(1,393,149)
Gross profit		60,472	30,717	395,843	333,192
Other items of income					
Interest income		15,414	16,783	59,780	62,419
Other income		111,807	190,815	139,220	207,588
Other items of expense					
Admin/Operating expenses		(126,673)	(99,913)	(392,515)	(340,168)
Finance costs		(18,927)	(18,709)	(72,159)	(75,266)
Share of results of associates		4,575	6,871	17,712	15,679
Profit/(loss) before tax and zakat		46,668	126,564	147,881	203,444
Income tax expense and zakat	B5	(6,474)	(27,924)	(43,856)	(61,227)
Profit/(loss) net of tax		40,194	98,640	104,025	142,217
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:					
Foreign currency translation		2,331	508	4,448	(4,984)
Remeasurement of defined benefit liability		-	(405)	-	(405)
Total other comprehensive income		2,331	103	4,448	(5,389)
Total comprehensive income/(loss) for the period/year		42,525	98,743	108,473	136,828
Profit/(loss) net of tax attributable to:					
Owners of the parent		24,484	71,547	57,885	95,252
Non-controlling interests		15,710	27,093	46,140	46,965
		40,194	98,640	104,025	142,217
Total comprehensive income/(loss) attributable to:					
Owners of the parent		26,813	71,725	62,331	89,943
Non-controlling interests		15,712	27,018	46,142	46,885
		42,525	98,743	108,473	136,828
Earnings/loss per share (sen):					
Basic	B11	1.90	5.55	4.49	7.39
Diluted		1.90	5.54	4.49	7.37
EBITDA (includes amortisation of services concession assets)		157,707	225,390	570,536	602,239
EBIT		50,181	128,490	160,260	216,291

Notes :

- (1) The Unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Ranhill Utilities Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31/12/2023 RM'000	Audited As at 31/12/2022 RM'000
Non-current assets		
Property, plant and equipment	314,623	249,455
Service concession assets	-	331,899
Intangibles	397,963	397,611
Rights of use of assets	44,223	25,175
Deferred tax assets	33,477	47,265
Investment property	3,101	2,589
Investment in associates	236,440	214,419
Operating financial assets	433,107	481,881
Trade and other receivables	169,946	172,578
Contract related assets	178,899	30,048
Other non-current assets	12,236	5,971
	<u>1,824,015</u>	<u>1,958,891</u>
Current assets		
Operating financial assets	56,150	58,256
Trade and other receivables	506,754	495,117
Contract related assets	127,088	118,842
Inventories	143,479	146,193
Tax recoverable	11,184	13,800
Other current assets	14,876	15,797
Other financial assets	17,046	65,840
Deposits, cash and bank balances	279,059	388,988
	<u>1,155,636</u>	<u>1,302,833</u>
Total assets	<u>2,979,651</u>	<u>3,261,724</u>
Current liabilities		
Retirement benefit obligations	12,329	17,589
Loans and borrowings	156,301	166,528
Trade and other payables	516,447	439,501
Contract related liabilities	21,760	6,488
Service concession obligations	46,069	372,781
Derivative financial instruments	2,484	-
Tax payable	9,991	9,809
	<u>765,381</u>	<u>1,012,696</u>
Net current assets	<u>390,255</u>	<u>290,137</u>

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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾ (continued)

	Unaudited As at 31/12/2023 RM'000	Audited As at 31/12/2022 RM'000
Non-current liabilities		
Retirement benefit obligations	54,962	65,570
Loans and borrowings	843,176	932,715
Trade and other payables	4,470	2,927
Consumer deposits	265,005	258,754
Deferred tax liabilities	35,692	33,974
	<u>1,203,305</u>	<u>1,293,940</u>
Total liabilities	<u>1,968,686</u>	<u>2,306,636</u>
Net assets	<u>1,010,965</u>	<u>955,088</u>
Equity attributable to owners of the parent		
Share capital	1,439,646	1,438,993
Treasury shares	(3,569)	(3,569)
Employee share reserve	-	1,185
Other reserves	(883,071)	(887,517)
Retained earnings	228,108	214,717
	<u>781,114</u>	<u>763,809</u>
Non-controlling interests	229,851	191,279
Total equity	<u>1,010,965</u>	<u>955,088</u>
Total equity and liabilities	<u>2,979,651</u>	<u>3,261,724</u>
Net assets per share attributable to owners of the parent (RM)	<u>0.61</u>	<u>0.59</u>

Notes:

- (1) The Unaudited Condensed Statements of Financial Position should be read in conjunction with the Audited Financial Statements of Ranhill Utilities Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023



UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	Share capital RM'000	Treasury shares RM'000	Employee share reserves RM'000	Currency translation reserves RM'000	Equity component of convertible unsecured loan stock RM'000	Merger reserve/ (deficit) RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2023	1,438,993	(3,569)	1,185	18,137	361	(906,015)	214,717	763,809	191,279	955,088
Profit net of tax	-	-	-	-	-	-	57,885	57,885	46,140	104,025
Other comprehensive income	-	-	-	4,446	-	-	-	4,446	2	4,448
Total comprehensive income	-	-	-	4,446	-	-	57,885	62,331	46,142	108,473
Transaction with owners										
-Vested Long-term incentive plan ("LTIP") shares	653	-	(653)	-	-	-	-	-	-	-
-Lapse of granted shares	-	-	(608)	-	-	-	608	-	-	-
- Award of LTIP shares	-	-	76	-	-	-	-	76	-	76
-CULS interest paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,000)	(1,000)
-Unwinding on interest expense on CULS attributable to non-controlling interests	-	-	-	-	-	-	-	-	(130)	(130)
-Dividends paid via:	-	-	-	-	-	-	-	-	-	-
- distribution of treasury shares	-	-	-	-	-	-	(45,102)	(45,102)	-	(45,102)
- cash	-	-	-	-	-	-	-	-	(6,440)	(6,440)
Total transaction with owners	653	-	(1,185)	-	-	-	(44,494)	(45,026)	(7,570)	(52,596)
At 31 December 2023	1,439,646	(3,569)	-	22,583	361	(906,015)	228,108	781,114	229,851	1,010,965

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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾


	Share capital RM'000	Treasury shares RM'000	Employee share reserves RM'000	Currency translation reserves RM'000	Equity component of convertible unsecured loan stock RM'000	Merger reserve/ (deficit) RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2022	1,438,993	(7,963)	671	23,122	361	(906,015)	131,625	680,794	179,086	859,880
Profit net of tax	-	-	-	-	-	-	95,252	95,252	46,965	142,217
Others comprehensive income	-	-	-	(4,985)	-	-	(324)	(5,309)	(80)	(5,389)
Total comprehensive income	-	-	-	(4,985)	-	-	94,928	89,943	46,885	136,828
Transaction with owners										
- Award of LTIP shares	-	-	514	-	-	-	-	514	-	514
-Purchase of treasury shares	-	(3,664)	-	-	-	-	-	(3,664)	-	(3,664)
-Non-controlling interest arising from acquisition of subsidiary	-	-	-	-	-	-	(1,642)	(1,642)	5,129	3,487
-CULS interest paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,000)	(1,000)
-Unwinding on interest expense on CULS attributable to non-controlling interests	-	-	-	-	-	-	-	-	(113)	(113)
-Dividends paid via:										
- distribution of treasury shares	-	8,058	-	-	-	-	(3,751)	4,307	-	4,307
- cash	-	-	-	-	-	-	(6,443)	(6,443)	(38,708)	(45,151)
Total transaction with owners	-	4,394	514	-	-	-	(11,836)	(6,928)	(34,692)	(41,620)
At 31 December 2022	1,438,993	(3,569)	1,185	18,137	361	(906,015)	214,717	763,809	191,279	955,088

Notes:

- (1) The Unaudited Condensed Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements of Ranhill Utilities Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS ⁽¹⁾

	12 months ended 31/12/2023 RM'000	12 months ended 31/12/2022 RM'000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation and zakat	147,881	203,444	
Adjustments for:			
Depreciation of property, plant and equipment	51,800	43,253	
Depreciation of right-use-of asset	9,638	6,281	
Depreciation of investment property	60	30	
Net gain on disposal of property, plant and equipment	(54)	(305)	
Amortisation of service concession asset	343,240	330,653	
Amortisation of intangible assets	5,538	5,761	
Share of results of associates	(17,712)	(15,679)	
Share based payment	76	514	
Property, plant and equipment written off	1	3	
Inventories written off	173	-	
Intangible assets written off	146	4,427	
Right-use-of asset written off	200	0	
Impairment on investment properties	-	592	
Bad debts recovered	(73)	-	
Provision for retirement benefit plan	5,357	5,792	
Net unrealised foreign exchange loss	938	522	
Gain on bargain purchase	-	(3,350)	
Gain on lease modification	(1,025)	(353)	
Reversal allowance for expected credit losses			
- Trade receivables	(486)	(5,265)	
- Other receivables	(105)	(136)	
- Contract assets	-	(511)	
Allowance for expected credit losses on:			
- Trade receivables	-	69	
- Contract assets	270	-	
Interest income	(59,780)	(62,419)	
Finance costs	72,159	75,266	
Operating profit before working capital changes	558,242	588,589	-
Receivables	(6,649)	(180,488)	
Payables	107,139	74,593	
Inventories	2,541	(29,499)	
Operating financial asset	105,603	117,367	
Contract related assets	(157,367)	(57,419)	
Contract related liability	15,272	1,418	
Other non-current and current asset	(5,344)	4,919	
Cash generated from operations	619,437	519,480	
Retirement benefits plan paid	(21,307)	(8,230)	
Zakat paid	(310)	(381)	
Tax refund	7,327	-	
Tax paid	(33,035)	(44,553)	
Repayment of lease rental payable to PAAB	(343,333)	(341,403)	
Net cash generated from operating activities	228,779	124,913	

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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS (continued) ⁽¹⁾

	12 months ended 31/12/2023 RM'000	12 months ended 31/12/2022 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(116,036)	(49,188)
Proceeds from disposal of property, plant and equipment	808	1,313
Proceeds from disposal of right-of-used of asset	1,025	
(Addition)/disposal of short term investments	48,794	(10,504)
Net cashflow effect on acquisition of subsidiaries	-	7,467
Purchase of software	(6,037)	(5,629)
Dividend from associates	-	2,228
Interest received	8,807	3,654
Net cash used in investing activities	<u>(62,639)</u>	<u>(50,659)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Placement of fixed deposits/restricted deposits	(19,356)	(5,571)
Drawdown of loans and borrowings	30,420	157,592
Repayment of lease liabilities	(10,551)	(4,011)
Repayment of principal portion of loans and borrowings	(151,217)	(103,050)
Payment of issuance cost of Sukuk Murabahah	-	(4,127)
Purchase of treasury shares	-	(3,664)
Dividends paid	(76,985)	(19,833)
Repayment of interest portion of loans and borrowings	(64,713)	(49,444)
Net cash used in financing activities	<u>(292,402)</u>	<u>(32,108)</u>
Net (decrease)/increase in cash and cash equivalents	(126,262)	42,146
Effect of exchange rate changes on cash and cash equivalents	(2,923)	1,399
Cash and cash equivalents at beginning of year	<u>245,435</u>	<u>201,890</u>
Cash and cash equivalents at end of the year	<u>116,250</u>	<u>245,435</u>
Cash and cash equivalents at end of financial period comprise the following:		
Cash at banks and on hand	152,816	314,696
Short term deposits with licensed banks	126,243	74,292
Total deposits, cash and bank balances	<u>279,059</u>	<u>388,988</u>
Bank overdraft	(4,610)	(4,710)
Restricted deposits, cash and bank balances	(143,531)	(125,463)
Deposit pledge as securities to licensed bank	(8,668)	(7,380)
Deposit with maturities of three months or more	<u>(6,000)</u>	<u>(6,000)</u>
Cash and cash equivalents	<u>116,250</u>	<u>245,435</u>

Notes:

- (1) The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Audited Financial Statements of Ranhill Utilities Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

SECTION A: NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), International Accounting Standard Board ("IASB") 34: Interim Financial Reporting issued by the International Accounting Standard Board ("IASB") and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities ("Bursa Securities").

These interim financial statements should be read in conjunction with the Audited Financial Statements of Ranhill Utilities Berhad ("the Company") for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these interim financial statements.

These interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries ("the Group") since the financial year ended 31 December 2022.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by the Company in this interim financial report are consistent with those adopted as disclosed in the Audited Financial Statements of the Company for the financial year ended 31 December 2022.

Adoption of New and Revised Financial Reporting Standards ("FRSs")

On 1 January 2023, the Group and the Company adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2023.

Description	Effective for annual periods beginning on or after
MFRS 101 : Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
MFRS 101: Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
MFRS 108: Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
MFRS 112: International Tax Reform-Pillar Two Model Rules (Amendments to MFRS 112 Income Taxes)	1 January 2023

The adoption of the above standards and interpretation did not have any material effect on the financial performance or position of the Group and the Company.

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A2. Changes in Accounting Policies (continued)

Standards and Amendments in Issue but Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and revised Standards and Amendments, which were in issue but not yet effective and not early adopted by the Group are as listed below.

Description	Effective for annual periods beginning on or after
MFRS 16: Lease Liabilities in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
MFRS 101: Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
MFRS 107 and MFRS 7: Supplier Finance Arrangements (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures)	1 January 2024
MFRS 121: Lack of Exchangeability (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates)	1 January 2025
MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

A3. Audit Report

There was no audit qualification reported in the Auditors' Report on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2022.

A4. Seasonality of Cyclicity of Operations

The results for the current quarter under review were not materially affected by seasonal or cyclical factors.

A5. Unusual Significant Items

There were no significant items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence for the current quarter and current financial year-to-date except for the item mentioned in Note B1 and B2.

A6. Material Changes in Estimates

There were no major changes in estimates that have a material effect in the current quarter and current financial year-to-date.



A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter and current financial year-to-date except as disclosed below:

- a) On 12 September 2023, the Company announced the allotment and issuance of 868,600 ordinary shares in relation to the vesting of the Long Term Incentive Plan ("LTIP") to eligible employees. The total enlarged issued share capital as at 11 September 2023 is RM1,439,645,886 represented by 1,296,785,823 units of ordinary shares.
- b) As at 31 December 2023, the Company held 7,279,165 treasury shares with a carrying amount of RM3,569,186.

A8. Dividend Paid

During the year ended 31 December 2023, the following dividend was distributed:

In respect of the financial year ended 31 December 2022:

- a) First interim dividend of 0.5 sen per share on 1,288,638,058 ordinary shares, amounting to a dividend payable of RM6,443,190 has been declared on 16 December 2022, and paid on 18 January 2023.
- b) Second interim dividend of 2.0 sen per share on 1,288,638,058 ordinary shares, amounting to a dividend payable of RM25,772,761 has been declared on 6 April 2023, paid on 15 May 2023.

In respect of the financial year ended 31 December 2023:

- a) First interim dividend of 1.5 sen per share on 1,288,638,058 ordinary shares, amounting to a dividend payable of RM19,329,600 has been declared on 29 May 2023, and paid on 30 June 2023.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
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Ranhill
A9. Segmental Information

Segmental results are summarized as follows with a proforma segment profit, segment asset and segment liabilities after apportioning the Sukuk related assets, liabilities and cost to the environment and energy segments, to reflect more meaningful contributions from the segments by apportioning the cost of acquiring the environment and energy segments to the respective segment.

For the year ended 31 December 2023:

BY BUSINESS SEGMENTS	Environment RM'000	Engineering Services RM'000	Energy RM'000	Others RM'000	Total RM'000
Revenue					
Sales to external Customers	1,292,328	880,044	414,359	34,247	2,620,978
Inter-segment elimination	-	(305,887)	-	(34,247)	(340,134)
	1,292,328	574,157	414,359	-	2,280,844
Results					
Segment profit/(loss)	129,974	78,112	(4,535)	(99,526)	104,025
Segment assets	1,367,096	565,505	947,676	99,374	2,979,651
Segment liabilities	657,816	263,128	396,828	650,914	1,968,686
Proforma scenario					
Results					
Segment profit/(loss)	129,974	78,112	(4,535)	(99,526)	104,025
Add/(less): Sukuk interest	(27,741)	-	(2,556)	30,297	-
Adjusted segment profit/(loss)	102,233	78,112	(7,091)	(69,229)	104,025
Segment assets	1,367,096	565,505	947,676	99,374	2,979,651
Add/(less): Bank balances related to Sukuk	59,592	-	5,490	(65,082)	-
Adjusted segment Assets	1,426,688	565,505	953,166	34,292	2,979,651
Segment liabilities	657,816	263,128	396,828	650,914	1,968,686
Add/(less): Sukuk loan	427,155	-	39,355	(466,510)	-
Adjusted segment liabilities	1,084,971	263,128	436,183	184,404	1,968,686


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Ranhill
A9. Segmental Information (continued)

For the year ended 31 December 2022:

BY BUSINESS SEGMENTS	Environment RM'000	Engineering Services RM'000	Energy RM'000	Others RM'000	Total RM'000
Revenue					
Sales to external customers	1,173,726	413,243	263,928	170,043	2,020,940
Inter-segment elimination	-	(124,556)	-	(170,043)	(294,599)
	1,173,726	288,687	263,928	-	1,726,341
Results					
Segment profit/(loss)	217,908	26,688	(8,231)	(94,148)	142,217
Segment assets	1,741,565	454,300	965,750	100,109	3,261,724
Segment liabilities	968,528	169,870	459,571	708,667	2,306,636
Proforma scenario					
Results					
Segment profit/(loss)	217,908	26,688	(8,231)	(94,148)	142,217
Add/(less): Sukuk interest	(30,510)	-	(2,811)	33,321	-
Adjusted segment profit/(loss)	187,398	26,688	(11,042)	(60,827)	142,217
Segment assets	1,741,565	454,300	965,750	100,109	3,261,724
Add/(less): Bank balances related to Sukuk	59,679	-	5,498	(65,177)	-
Adjusted segment assets	1,801,244	454,300	971,248	34,932	3,261,724
Segment liabilities	968,528	169,870	459,571	708,667	2,306,636
Add/(less): Sukuk loan	470,128	-	43,315	(513,443)	-
Adjusted segment liabilities	1,438,656	169,870	502,886	195,224	2,306,636

Environment segment

- Year to date revenue generated of RM1,292.3 million (2022: RM1,173.7 million), an increase of RM118.6 million compared to its preceding year, was mainly due to higher recognition of water revenue contributed by Ranhill SAJ Sdn Bhd ("RanhillSAJ") arising from non-domestic tariff hike.
- Year to date profit after taxation of RM130.0 million (2022: RM217.9 million), a decrease of RM87.9 million compared to its preceding year, was mainly due to the lower profit by RanhillSAJ mainly due to increase of new ICPT rate imposed by TNB of RM24.8 million, higher maintenance NRW cost of RM43.2 million and lower recognition of Government grant of RM56.6 million (2023: RM86.0 million; 2022: RM142.0 million).

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A9. Segmental Information (continued)

Engineering Services segment

- Year to date revenue of RM574.2 million (2022: RM288.7 million), an increase of RM285.5 million was mainly due to higher contribution from Ranhill Worley Sdn Bhd ("RWSB") arising from chargeable hours of its newly secured projects.
- Year to date profit after tax of RM78.1 million (2022: RM26.7 million), an increase of RM51.4 million mainly contributed by RWSB.

Energy segment

- Year to date revenue of RM414.4 million (2022: RM263.9 million), an increase of RM150.5 million compared to its preceding year was mainly contributed by the recognition of the construction progress of Ranhill Solar I ("RSI") in Bidor.
- Year to date loss after tax of RM4.5 million (2022: loss RM8.2 million), an increase of RM3.7 million mainly due to recognition of profit from RSI in Bidor. The financing cost approximate RM9.5 million for the project resides in Ranhill Solar Ventures Sdn Bhd ("RSV") (segment: Others).

A10. Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter and current financial year-to-date.

A11. Contingent Liabilities

There were no contingent liabilities for the current quarter and current financial year-to-date.

A12. Capital Commitments

The Group has the following capital commitments in respect of:

	31.12.2023 RM'000	31.12.2022 RM'000
Approved and contracted for	-	5,170
Approved but not contracted for	7,114	8,225
	7,114	13,395

A13. Significant Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the current quarter and current financial year to date.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023
SECTION B: BURSA SECURITIES LISTING REQUIREMENT (PART A OF APPENDIX 9B)
B1. Detailed Analysis of Performance of All Operating Segments
Performance for the quarter and year-to-date

	Individual Quarter		Changes %	Cumulative Period		Changes %
	Current year quarter 31.12.2023 RM'000	Preceding year quarter 31.12.2022 RM'000		Current year to date 31.12.2023 RM'000	Preceding year to date 31.12.2022 RM'000	
Revenue	557,717	440,557	26.6%	2,280,844	1,726,341	32.1%
Operating profit	45,606	121,619	-62.5%	142,548	200,612	-28.9%
Profit Before Interest, Tax and Zakat	50,181	128,490	-60.9%	160,260	216,291	-25.9%
Profit Before Tax and Zakat	46,668	126,564	-63.1%	147,881	203,444	-27.3%
Profit After Tax	40,194	98,640	-59.3%	104,025	142,217	-26.9%
Profit Attributable to Ordinary Equity Holder of the Parent	24,484	71,547	-65.8%	57,885	95,252	-39.2%

For the quarter and year ended 31 December 2023, the Group recorded a revenue of RM557.7 million and RM2,280.8 million respectively (Q42022: RM440.6 million, YTD2022: RM1,726.3 million) while profit attributable to ordinary equity holder of the parent are RM24.5 million and RM57.9 million respectively (Q42022: RM71.5 million, YTD2022: RM95.3 million).

The increase in revenue for the quarter (against prior year corresponding quarter) was mainly due to higher recognition of water revenue by RanhillSAJ arising from non-domestic tariff hike, higher revenue from RWSB, recognition of the construction progress of Ranhill Solar I ("RSI") and higher recognition of Net Electrical Output ("NEO") and capacity factor reported in Ranhill Sabah Energy I Sdn Bhd ("RSEI") (formerly known as Ranhill Powertron I Sdn Bhd ("RPI")) and Ranhill Sabah Energy II Sdn Bhd ("RSEII") (formerly known as Ranhill Powertron II Sdn Bhd ("RPII")) .

Profit attributable to ordinary equity holder of the parent for the quarter decreased by RM47 million compared to preceding year's quarter's RM71.5 million due to lower recognition of Government grant of RM56.6 million (2023: RM86.0 million; 2022: RM142.0 million).

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2023**
Ranhill
B2. Comparison of Results for Current Quarter Ended 31 December 2023 Compared to the Immediate Preceding Quarter

	Individual Quarter		Changes %
	Current year quarter 31.12.2023 RM'000	Immediate preceding quarter 30.09.2023 RM'000	
Revenue	557,717	609,386	-8.5%
Operating Profit	45,606	27,993	62.9%
Profit Before Interest,Tax and Zakat	50,181	32,181	55.9%
Profit Before Tax and Zakat	46,668	30,284	54.1%
Profit/(loss) After Tax	40,194	19,575	105.3%
Profit/(loss) Attributable to Ordinary Equity Holder of the parent	24,484	10,224	139.5%

The Group recorded a revenue of RM557.7 million in the current quarter compared to its immediate preceding quarter's revenue of RM609.4 million, a decrease of RM51.7 million or 8.5%, mainly contributed by lower revenue in RSI of RM47.4 million compared to Q3 (as its almost achieved its physical completion in Q4).

The profit attributable to ordinary equity holder of the parent for the current quarter increased by RM14.3 million from RM10.2 million recorded in quarter 3 FY2023 to RM24.5 million mainly contributed by higher profit from RanhillSAJ and RWSB.

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B3. Prospects

Environment

Aligned with the Company's intended growth in the Environmental sector, Ranhill, in collaboration with strategic business partners, has established a Consortium as Project Promoters. The objective is to spearhead the 'Source-to-Tap' project, with the goal of extracting 6,000 liters per second (approximately 518 MLD) to provide treated water to four (4) regions, specifically DKI Jakarta Selatan, Bekasi City, Bekasi Regency, and Bogor Regency

The Consortium has re-submitted the Feasibility Studies ("FS") to the Ministry of Public Works and Public Housing of the Republic of Indonesia ("PUPR"). Following thorough discussions and negotiations, the Consortium is currently awaiting the approval of the FS and the designation of 'Initiator Status' before PUPR initiates a tender process for the project implementation

In Thailand, AnuRAK had submitted BOT Concession bids for

1. Upgrading existing reclamation water treatment plant no.2 in Amata City Rayong Industrial Estate from 7 MLD to 10 MLD.
2. New 20 MLD waste water treatment plant and 10 MLD reclamation water treatment plant in Amata Rayong Industrial Estate Phase 3.

The company's ability in providing customised solutions and specialized facilities to treat complicated wastewater with complex and demanding waste characteristics will serve as a competitive edge when bidding for contracts.

Energy

Our energy division had proposed an extension to the PPA for our 190MW Teluk Salut Power Plant beyond its existing concession term that expires in 2029. This is a possible solution to address the growth in energy demand in Sabah beyond 2029.

The consortium of Ranhill Sabah Energy Sdn Bhd has received the Letter of Notification as the successful bidder for the 100 MW CCGT in Kimanis, Sabah on 31 March 2023. The project is expected to achieve its Commercial Operation Date in October 2026. Currently, the consortium is finalizing the project documents such as Power Purchase Agreement ("PPA"), Equipment Supply Contract, Long Term Service Agreement and Engineering, Procurement, Construction and Commissioning ("EPCC") Contract. The consortium is expected to sign project documents in April 2024 and achieve Financial Close in July 2024.

As the Group pursues development of renewable energy in contributing to the country's energy transition to a cleaner and greener Malaysia, we are proud to announce that Ranhill's first venture into asset ownership of 50MWac large scale solar project in Bidor, Perak has achieved its Commercial Operation Date on 7 February 2024.



B3. Prospects (continued)

Engineering services

With Engineering Services being another business division of the Group, significant projects have been secured by Ranhill Worley Sdn Bhd ("Ranhill Worley") in Front End Engineering Design ("FEED") and Detailed Design Engineering ("DDE") of oil and gas facilities and installations as well as Carbon Capture & Storage ("CCS") projects. Ranhill Worley has proven to be a strong engineering services hub in securing major offshore projects and recognize as one of Worley's global businesses center of excellence for offshore projects worldwide.

Amongst others, these include world's largest offshore experience:

- 1) DDE of the new floating production, storage, and offloading ("FPSO") vessel, P-82 for Brazilian state-owned oil and gas producer, Petroleo Brasileiro S.A ("Petrobras"), one of the largest vessels to be deployed in the Buzios field, an ultra-deepwater oil and gas field covering an area of 853 km² in the pre-salt Santos Basin, about 180-km off the coast of Rio de Janeiro, Brazil;
- 2) DDE of two compression complexes associated with the North Field Production Sustainability Offshore Compression Complexes Project which includes two of the largest fixed steel jacket compression platforms ever built. The Qatar North Field is the world's largest natural gas field;and
- 3) DDE of Kasawari CCS Project (the world's largest offshore CCS project, capturing over three (3) million tons per annum of carbon dioxide from the Kasawari gas field offshore Sarawak);

It is anticipated that even with the most aggressive projections of renewable energy transition there will still be need for hydrocarbons to be part of the energy mix. Therefore, moving forward, Carbon Capture & Storage ("CCS") will be a key part of global transition to net zero carbon emissions. Ranhill Worley is committed to working together with our customers to navigate their energy transition process to decarbonize the extraction of hydrocarbons.

Ranhill shall continue to make strides towards realising its target of attaining 3,000 MLD of water, wastewater and reclaimed water treatment capacity by 2027 and continue to pursue our energy target of having 1,000 MW of generation capacity.

B4. Profit Forecast

Not applicable.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2023**
Ranhill
B5. Taxation

The taxation for the Company for the period under review is as follows:

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2023 RM'000	Preceding year quarter 31.12.2022 RM'000	Current year to date 31.12.2023 RM'000	Preceding year to date 31.12.2022 RM'000
Malaysia taxation:				
Current taxation	12,147	(6,084)	27,548	23,684
(Over)/under provision prior years	(559)	15,349	236	14,104
Foreign taxation:				
Current taxation	49	(69)	87	34
Deferred taxation	817	112	506	(273)
Deferred taxation				
Current taxation	(7,845)	19,140	13,245	21,262
(Over)/under provision prior years	1,555	(905)	1,924	2,035
	6,164	27,543	43,546	60,846
Zakat				
Zakat expense in current year	310	381	310	381
	6,474	27,924	43,856	61,227

The Company's effective tax rate (excluding the results of associates which are equity accounted net of tax) for the quarter and current year to date were higher than the statutory tax rate substantially due to the non-allowable tax expenses of Sukuk interest.

In 2018, the new Finance Act 2018 which comes into effect on 26 December 2018, introduced a 7-Year Limitation on carry forward of unabsorbed business losses, unutilised reinvestment and investment allowances. Such ruling meant that RSEI can only utilise its unutilised investment allowance against any taxable profit up to year 2025, requiring a potential reversal of deferred tax asset to the income statement of RM38.8 million (2022: RM42.1 million).

RSEI, through its tax consultant, has since appealed to the Ministry of Finance ("MoF") to allow RSEI to utilise the investment allowance up to the end of the concession period in year 2032.

Management has consulted its solicitors who have advised that, based on the facts and circumstances of the approval of the investment allowance to RSEI in prior years, it is reasonable for RSEI to place reliance on such approval and continue with the utilisation of the investment allowance in full in accordance with its terms therein.


**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2023**
Ranhill
B6. Profit/(Loss) Before Taxation

The following items have been included in arriving at profit before taxation:

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2023 RM'000	Preceding year quarter 31.12.2022 RM'000	Current year to date 31.12.2023 RM'000	Preceding year to date 31.12.2022 RM'000
Amortisation of service concession assets	88,720	81,398	343,240	330,653
Amortisation of software	1,211	1,305	4,935	4,857
Amortisation of customer contract	151	151	603	904
Depreciation of property, plant and equipment	14,578	12,126	51,800	43,253
Depreciation of right use of assets	2,850	1,920	9,638	6,281
Depreciation of investment property	16	-	60	-
Unrealised foreign exchange (gain)/loss	7,859	2,800	938	522
Realised foreign exchange loss	(18,019)	346	(14,622)	737
Reversal of allowance for expected credit losses on:				
- Trade receivables	(459)	9	(486)	-
- Associates	91	-	(105)	-
Allowance for expected credit losses on:				
- Trade receivables	-	42	237	69
- Other receivables	3,626	(140)	3,626	-
- Contract assets	270	-	270	-
Property, plant and equipment written off	(10)	3	1	3
Government grant	85,683	142,285	85,683	142,285

B7. Status of Corporate Proposal Announced

There are no corporate proposals announced but not completed at the date of this report.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2023**
Ranhill
B8. Group Borrowings

Particular of the Group borrowings in RM equivalent analysed by currencies in which the borrowings are denominated are as follows:

	As at year ended 31 December 2023					
	Short term		Long term		Total borrowings	
	THB	RM	THB	RM	THB	RM
Secured						
- Bank overdraft	-	2,149	-	-	-	2,149
- Revolving credit	-	39,148	-	-	-	39,148
- Term loan	3,977	-	3,632	8,496	7,609	8,496
- Musharakah Medium Term Notes ("mMTN")	-	50,738	-	251,875	-	302,613
- SUKUK Murabahah RM650m	-	47,331	-	419,179	-	466,510
- SUKUK Murabahah RM310m *	-	-	-	126,989	-	126,989
Sub total	3,977	139,366	3,632	806,539	7,609	945,905
Unsecured						
- Bank overdraft	-	2,461	-	-	-	2,461
- Convertible unsecured loan stocks ("CULS")	-	-	-	6,906	-	6,906
Sub total	-	2,461	-	6,906	-	9,367
Total borrowing	3,977	141,827	3,632	813,445	7,609	955,272
Lease liability	-	10,497	-	26,099	-	36,596
Grand Total	3,977	152,324	3,632	839,544	7,609	991,868
						999,477

	As at year ended 31 December 2022					
	Short term		Long term		Total borrowings	
	THB	RM	THB	RM	THB	RM
Secured						
- Bank overdraft	-	2,382	-	-	-	2,382
- Revolving credit	-	15,000	-	-	-	15,000
- Term loan	3,586	39,942	6,961	29,337	10,547	69,279
- mMTN	-	50,764	-	302,613	-	353,377
- SUKUK Murabahah RM650m	-	46,932	-	466,510	-	513,442
- SUKUK Murabahah RM310m *	-	-	-	106,667	-	106,667
Sub total	3,586	155,020	6,961	905,127	10,547	1,060,147
Unsecured						
- Bank overdraft	-	2,328	-	-	-	2,328
- CULS	-	-	-	6,776	-	6,776
Sub total	-	2,328	-	6,776	-	9,104
Total borrowing	3,586	157,348	6,961	911,903	10,547	1,069,251
Lease liability	156	5,438	68	13,783	224	19,221
Grand Total	3,742	162,786	7,029	925,686	10,771	1,088,472
						1,099,243

Note: * The Sukuk Murabahah RM310m will be issued in 3 tranches. As at 31 December 2022, 1st tranche has been issued.

B9. Changes in Material Litigation

Save as disclosed below, as at the date of this report, the Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

On 15th April 2019, the Company submitted a statement of claim against the Defendant to recover RM7.0 million paid to him as part payment for shares in the acquisition of SM Hydro Energy Sdn Bhd ("SM Hydro"). The suit was initiated upon the termination of the Share Sale and Purchase Agreement ("SSPA"), a result of the failure of SM Hydro to secure the award of a power project to satisfactory terms in accordance with the SSPA. The Group is seeking to recover RM7.0 million paid as part payment for the acquisition of shares in SM Hydro.

The Group was successful in the suit, however several appeals were made by the Defendant, as follows:

- A. Defendant's application to set aside the Judgment dated 9.3.2020 (Enclosure 55) is fixed a case management on 22.4.2024. The adjournment was due to an application filed by MFBI on 25.10.2023 to introduce new evidence (Enc. 38) which need to be disposed before hearing of the appeal. The hearing of MFBI's application in Enc 38 is fixed on 22.4.2024.
- B. Bankruptcy Proceedings filed by Company against Mohd Fakrunizam Bin Ibrahim (MFBI) with the Creditor's Petition fixed for a case management on 6.5.2024.
- C. MFBI filed a Civil Suit against his previous Counsel M/s Hanif Abdul Rahman & Associates and Company. On 15.9.2021 Company was advised that MFBI had filed a suit in KL High Court claiming for the following:
 - 1. A declaration that the summary judgment dated 9.3.2020, the High Court order dated 1.10.2020 and the orders of Court of Appeal ("CO") both dated 27.1.2021 in the COA are not binding on MFBI;
 - 2. A declaration that M/s Hanif Abdul Rahman & Assoc acted fraudulently for both KL High Court and COA matters;
 - 3. A declaration that the signatures on the affidavits filed by MFBI for both KL High Court and COA matters mentioned above are forgeries and/or false;
 - 4. A declaration that Company is not entitled to act upon the judgment of KL High Court and COA; and
 - 5. An order that all the judgments made by the KH High Court and COA to be set aside;
 - 6. Damages for fraud in the tort of deceit against M/s Hanif Abdul Rahman & Assoc; and
 - 7. Interest for the damages at the rate of 5% per annum until full settlement;
 - 8. Cost and such other reliefs.

Company filed an application to strike out MFBI's claim (Encl. 16), the Court has fixed the hearing date on 20.09.2022. Counsel advised that the appeal is fixed for hearing on 18.8.2023. On 18.8.2023 the Court of Appeal allowed Company's appeal and struck out MFBI's claim against Company with costs of RM15,000 to be paid by MFBI to Company. No notice of appeal has been filed by MFBI since then.

None of the directors, major shareholders and persons connected with the directors and major shareholders of the Company has any interest, direct or indirect, in the above matter.

The Company will make further announcement if there are any material development in respect of the above matter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2023**
B10. Dividend Payable

There was no dividend payable for the current quarter and current financial year-to-date.

B11. Earnings per Share

The calculation of the earnings per share for the Group is based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue.

For the purpose of calculating diluted earnings per share, the profit attributable to owners of the Company for the year and the weighted average number of ordinary shares issued during the financial year has been adjusted for the dilutive effects of all potential ordinary shares such as the LTIP granted to employees.

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2023 RM'000	Preceding Year Quarter 31.12.2022 RM'000	Current Year-To- Date 31.12.2023 RM'000	Preceding Year-To- Date 31.12.2022 RM'000
<u>Basic earnings per share</u>				
Net profit attributable to ordinary shares	24,484	71,547	57,885	95,252
Weighted Average Number of Ordinary Shares in issue ('000)	1,289,507	1,288,638	1,289,074	1,288,823
Basic (loss)/earnings per share (sen)	1.90	5.55	4.49	7.39
<u>Diluted earnings per share</u>				
Weighted Average Number of Ordinary Shares in issue ('000)	1,289,507	1,288,638	1,289,074	1,288,823
Adjustment for LTIP ('000)	-	3,387	-	3,387
Weighted Average Number of Ordinary Shares for diluted earnings per shares ('000)	1,289,507	1,292,025	1,289,074	1,292,210
Diluted earnings per share (sen)	1.90	5.54	4.49	7.37

On behalf of the Board
Tan Sri Hamdan Mohamad
Chairman and Chief Executive
Kuala Lumpur
Date: 29 February 2024