

**RANHILL HOLDINGS BERHAD (Company No : 1091059-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER**  
**ENDED 30 JUNE 2016**



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME <sup>(1)</sup>**

	NOTE	Individual Quarter		Cummulative Period	
		Current year	Preceding year	Current year	Preceding year
		quarter 30/6/2016 RM'000	quarter <sup>(2)</sup> 30/6/2015 RM'000	to date 30/6/2016 RM'000	to date <sup>(2)</sup> 30/6/2015 RM'000
Revenue		357,043	N/A	701,794	N/A
Cost of sales		(251,884)	N/A	(493,135)	N/A
<b>Gross profit</b>		<b>105,159</b>	<b>N/A</b>	<b>208,659</b>	<b>N/A</b>
<b>Other items of income</b>					
Interest income		20,619	N/A	36,606	N/A
Other income		23,904	N/A	26,044	N/A
<b>Other items of expense</b>					
Administrative expenses		(55,257)	N/A	(98,428)	N/A
Other operating expenses		(156)	N/A	(560)	N/A
Tendering and marketing expenses		(386)	N/A	(620)	N/A
Finance costs		(29,619)	N/A	(77,249)	N/A
Zakat		(714)	N/A	(3,205)	N/A
Share of results of a joint venture		1,173	N/A	1,309	N/A
Share of results of associates		-	N/A	-	N/A
<b>Profit/(loss) before tax</b>		<b>64,723</b>	<b>N/A</b>	<b>92,556</b>	<b>N/A</b>
Income tax expense	B5	(13,517)	N/A	(29,231)	N/A
<b>Profit/(loss) net of tax</b>		<b>51,206</b>	<b>N/A</b>	<b>63,325</b>	<b>N/A</b>
<b>Other comprehensive income:</b>					
Foreign currency translation to be reclassified to profit or loss in subsequent periods		(5,192)	N/A	(16,914)	N/A
<b>Total comprehensive income for the year/period</b>		<b>46,014</b>	<b>N/A</b>	<b>46,411</b>	<b>N/A</b>
<b>Profit/(loss) net of tax attributable to:</b>					
Owners of the parent		37,767	N/A	44,673	N/A
Non-controlling interests		13,439	N/A	18,652	N/A
		<b>51,206</b>	<b>N/A</b>	<b>63,325</b>	<b>N/A</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		32,575	N/A	27,759	N/A
Non-controlling interests		13,439	N/A	18,652	N/A
		<b>46,014</b>	<b>N/A</b>	<b>46,411</b>	<b>N/A</b>
<b>Earnings per share (sen):</b>					
Basic <sup>(3)</sup>	B12	4.25	N/A	5.03	N/A
Diluted		N/A	N/A	N/A	N/A
<b>EBITDA (includes amortisation of services concession assets)</b>		<b>161,029</b>	<b>N/A</b>	<b>307,758</b>	<b>N/A</b>

**RANHILL HOLDINGS BERHAD (Company No : 1091059-K)  
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER  
ENDED 30 JUNE 2016**



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME <sup>(1)</sup>(continued)**

**Notes :**

- (1) The Unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Ranhill Holdings Berhad ("the Company") for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.
- (2) No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.
- (3) Based on the issued and paid-up share capital of 888,315,767 ordinary shares of RM1.00 each after the completion of the public offering (as detailed in Note B7).

N/A Not Applicable

**RANHILL HOLDINGS BERHAD (Company No : 1091059-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER**  
**ENDED 30 JUNE 2016**



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup>**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30/6/2016</b>	<b>31/12/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	556,731	576,324
Service concession assets	450,047	600,062
Intangibles	297,612	297,338
Operating financial asset	516,301	-
Finance lease receivables	573,483	593,618
Deferred tax assets	235,494	252,470
Investment in a joint venture	11,275	157,702
Trade and other receivables	70,676	72,855
	<u>2,711,619</u>	<u>2,550,369</u>
<b>Current assets</b>		
Finance lease receivables	39,532	38,082
Operating financial asset	29,834	-
Trade and other receivables	271,247	333,680
Inventories	76,499	74,995
Tax recoverable	3,906	2,198
Other current assets	32,595	24,378
Other financial assets	22,066	18,942
Deposits, cash and bank balances	499,517	550,872
	<u>975,196</u>	<u>1,043,147</u>
<b>Total assets</b>	<u>3,686,815</u>	<u>3,593,516</u>
<b>Current liabilities</b>		
Retirement benefit obligations	7,132	7,969
Finance lease payables	1,409	1,273
Short term borrowings	735,998	833,111
Zakat	7,300	8,942
Trade and other payables	531,899	529,745
Other current liability	6,119	302
Service concession obligations	408,981	390,962
Tax payable	7,954	1,496
	<u>1,706,792</u>	<u>1,773,800</u>
<b>Net current liabilities</b>	<u>(731,596)</u>	<u>(730,653)</u>
<b>Non-current liabilities</b>		
Retirement benefit obligations	85,436	83,976
Finance lease payables	2,561	2,572
Long term borrowings	732,134	799,862
Trade and other payables	4,585	4,357
Service concession obligations	162,899	320,273
Consumer deposits	176,050	169,452
Deferred tax liabilities	73,661	54,940
	<u>1,237,326</u>	<u>1,435,432</u>
<b>Total liabilities</b>	<u>2,944,118</u>	<u>3,209,232</u>

RANHILL HOLDINGS BERHAD (Company No : 1091059-K)  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER  
 ENDED 30 JUNE 2016



**Ranhill**

UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION <sup>(1)</sup> (continued)

	Unaudited As at 30/6/2016 RM'000	Audited As at 31/12/2015 RM'000
<b>Net assets</b>	<u>742,697</u>	<u>384,284</u>
<b>Equity attributable to owners of the parent</b>		
Share capital	888,316	565,995
Share premium	384,731	339,597
Other reserves	(896,057)	(879,143)
Retained earnings	<u>191,092</u>	<u>146,419</u>
	568,082	172,868
Non controlling interest	<u>174,615</u>	<u>211,416</u>
<b>Total equity</b>	<u>742,697</u>	<u>384,284</u>
<b>Total equity and liabilities</b>	<u>3,686,815</u>	<u>3,593,516</u>
	-	-
<b>Net assets per share attributable to owners of the parent (RM)</b>	<u>0.64</u>	<u>0.31</u>

**Notes:**

- (1) The Unaudited Condensed Statements of Financial Position should be read in conjunction with the Audited Financial Statements of Ranhill Holdings Berhad ("the Company") for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

**RANHILL HOLDINGS BERHAD (Company No : 1091059-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER**  
**ENDED 30 JUNE 2016**



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2016 <sup>(1)</sup>**

	Share capital <sup>(2)</sup> RM'000	Share premium 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 2016	565,995	339,597	25,809	1,063	(906,015)	146,419	172,868	211,416	384,284
Total comprehensive income			(16,914)			44,673	27,759	18,652	46,411
-Unwinding on interest expense on CULS attributable to non- controlling interests								(77)	(77)
-New public issuance of shares	322,321	64,464					386,785		386,785
-Share issuance expenses		(19,330)					(19,330)		(19,330)
-Dividends on ordinary shares								(55,376)	(55,376)
At 30 June 2016	888,316	384,731	8,895	1,063	(906,015)	191,092	568,082	174,615	742,697
	-	-	-	-	-	-	-	-	-

**Notes:**

No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.

(1) The Unaudited Condensed Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements of Ranhill Holdings Berhad ("the Company") for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS** <sup>(1)</sup>

	<b>Current Year-To-Date 30/6/2016 RM'000</b>	<b>Preceding Year-To-Date 30/6/2015 RM'000</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation	92,556	N/A	
Adjustments for:			
Depreciation of property, plant and equipment	24,502	N/A	
Property, plant and equipment written off	12	N/A	
Gain on disposal of property, plant and equipment	(22)	N/A	
Amortisation of service concession asset	150,016	N/A	
Amortisation of concession rights	24	N/A	
Amortisation of software	17	N/A	
Negative goodwill arising from acquisition of remaining shares in RWTC	(20,119)	N/A	
Share of profit of a joint venture	(1,309)	N/A	
Provision retirement benefit plan	4,426	N/A	
Zakat	3,205	N/A	
Allowance for impairments	521	N/A	
Provision for liquidated ascertained damages	1,637	N/A	
Unrealised foreign exchange gain	2,816	N/A	
Interest income	(36,606)	N/A	
Interest expense	77,249	N/A	
Operating profit before working capital changes	298,925	N/A	-
Receivable	101,504	N/A	
Payables	(150,302)	N/A	
Inventories	(562)	N/A	
Finance lease receivables	42,084	N/A	
Operating financial asset	3,567	N/A	
Other current asset	(7,131)	N/A	
Cash generated from operations	288,085	N/A	
Retirement benefits plan paid	(3,803)	N/A	
Zakat paid	(4,847)	N/A	
Tax paid	(6,130)	N/A	
Lease rental payable to PAAB	(139,355)	N/A	
Net cash generated from operating activities	133,950	N/A	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	(2,198)	N/A	
Proceeds from disposal of property, plant and equipment	55	N/A	
Disposal of short term investment	(3,124)	N/A	
Net cash outflow effect on the acquisition of remaining share of RWTC	(115,112)	N/A	
Dividend received from joint venture	1,151	N/A	
Interest received	10,295	N/A	
Net cash generated from investing activities	(108,933)	N/A	-



**Ranhill**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS (continued) <sup>(1)</sup>**

	<b>Current Year-To-Date 30/6/2016 RM'000</b>	<b>Preceding Year-To-Date 30/6/2015 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Placement of fixed deposits with banking facilities	37,136	N/A
Drawdown of term loans	225	N/A
Finance lease principal repayments	(653)	N/A
Proceeds from issuance of shares	386,785	N/A
Payment of initial public offering exercise expenses	(12,472)	N/A
Repayment of borrowings	(313,372)	N/A
Dividends paid	(55,376)	N/A
Interest paid	(85,394)	N/A
Net cash generated from financing activities	<u>(43,121)</u>	<u>N/A</u>
Net (decrease)/increase in cash and cash equivalents	(18,104)	N/A
Effect of exchange rate changes on cash and cash equivalents	(3,281)	N/A
Cash and cash equivalents at beginning of year	305,545	N/A
Cash and cash equivalents at end of year	<u>284,160</u>	<u>N/A</u>

Cash and cash equivalents at end of financial period comprise the following:

Cash at banks and on hand	100,292	N/A
Short term deposits with licensed bank	399,225	N/A
Total deposits, cash and bank balances	<u>499,517</u>	<u>N/A</u>
Bank overdrafts	(4,146)	N/A
Restricted deposits, cash and bank balances	(211,211)	N/A
Cash and cash equivalents	<u>284,160</u>	<u>N/A</u>
	(0)	

**Notes:**

- (1) The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Audited Financial Statements of Ranhill Holdings Berhad ("the Company") for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.
- (2) No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.

N/A Not Applicable

## **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 ("IAS") 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").

There are no comparative figures for the preceding financial year's corresponding period as the Company only assumed listing status on 16 December 2015.

These interim financial statements should be read in conjunction with the Audited Financial Statements of Ranhill Holdings Berhad ("the Company") for the financial year ended 31 December 2015 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 2015.

### **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 2015 as well as those mandatory new/revised standards that take effects on annual financial period commencing on and after 1 January 2016, except for the following:-

MFRS, Interpretations and amendments that is effective for annual financial periods beginning on or after 1 January 2018

MFRS 15	Revenue from Contract with Customers
MFRS 9	Financial Instruments

The initial application of the accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group except as mentioned below:



**A2. Changes in Accounting Policies (continued)**

**MFRS 15, Revenue from Contract with Customers**

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

**MFRS 9, Financial Instruments**

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

**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 2015.

**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 during the current quarter and current financial year-to-date except for the recognition of RM20.1 million negative goodwill upon acquisition the remaining shares in RWTC on 20 May 2016.

**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 for those disclosed in Note B7.

**A8. Dividend Paid**

No dividend was paid by the Company in the current quarter.

**A9. Segmental Information**

Segmental results for the financial period ended 30 June 2016 are as follows:

	Environment RM'000	Power RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>BY BUSINESS SEGMENTS</b>					
<b>Revenue</b>					
Sales to external customers	552,151	149,585	58		701,794
Inter-segment elimination			130,662	(130,662)	-
	<u>552,151</u>	<u>149,585</u>	<u>130,720</u>	<u>(130,662)</u>	<u>701,794</u>
					-

**A9. Segmental Information (continued)**

<b>BY BUSINESS SEGMENTS</b>	<b>Environment</b>	<b>Power</b>	<b>Others</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Results</b>				
Segment profit/(loss)	89,279	13,775	(39,729)	63,325
<b>Segment assets</b>	2,136,053	1,386,595	164,167	3,686,815
<b>Segment liabilities</b>	1,488,883	739,926	715,309	2,944,118
<b>Proforma scenario</b>				
<b>Results</b>				
Segment profit/(loss)	65,950	10,173	(12,798)	63,325
<b>Segment assets</b>	2,251,298	1,404,388	31,129	3,686,815
<b>Segment liabilities</b>	2,095,116	833,524	15,478	2,944,118

The reportable proforma segment profit, segment asset and segment liabilities are derived after apportioning the Sukuk related assets, liabilities and cost to the environment and power segments to reflect a more meaningful contributions from the segments by apportioning the cost of acquiring the environment and power segment to the respective segment.

**A10. Changes in the Composition of the Group**

RWTC was previously recognised as a Joint Venture when the group owned approximately 52% of RWTC. With the acquisition of its remaining shares, RWTC is now fully consolidated to the group. The investment in joint venture of RM157 million as per the statement of financial position as at 31 December 2015 has now been classified as investment in subsidiary and the results of RWTC is being accounted for in accordance with “MFRS 3 Business Combination”.



**A11. Contingent Liabilities**

There were no contingent liabilities that, upon becoming enforceable, may have an adverse material impact on the results of operations or financial condition of the Group as at 30 June 2016

**A12. Capital Commitments**

Capital commitments not provided for in the financial statements as at 30 June 2016 are as follows:

	RM'000
Approved and contracted for	1,115
Approved but not contracted for	<u>2,505</u>
	<u><u>3,620</u></u>

**A13. Significant events subsequent to the balance sheet date**

There was no material events subsequent to the current quarter ended 30 June 2016.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**SECTION B: BURSA SECURITIES LISTING REQUIREMENT (PART A OF APPENDIX 9B)**

**B1. Detailed Analysis of Performance of all Operating Segments**

For the quarter and year-to-date

The Company recorded a revenue of RM357.0 million (YTD RM701.8 million) and profit before taxation of RM64.7 million (YTD RM92.6 million) for the current quarter ended 30 June 2016. The environment segment contributed RM283.8 million (YTD RM552.2 million) in revenue and a profit before taxation of RM68.5 million (YTD RM113.0 million) while the power segment reported a revenue of RM73.2 million (YTD RM149.6 million) and a profit before taxation of RM17.3 million (YTD RM19.3 million).

No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed the listing status on 16 December 2015 and commenced trading on Bursa Malaysia Securities Berhad on 16 March 2016.

Taking into consideration the apportionment of cost in relation to the acquisition of the environment and power segment, the proforma environment's profit before taxation for the quarter is RM58.0 million (YTD RM89.7 million) while proforma power's profit before taxation for the quarter is RM15.6 million (YTD RM15.7 million).

**B2. Variation of Results for current quarter ended 30 June 2016 compared to the immediate preceding quarter**

The Company recorded a revenue of RM357.0 million in the current quarter compared to its immediate preceding quarter's revenue of RM344.8 million, an increase of RM12.2 million or 3.5% whilst profit before taxation for the current quarter increased by RM36.9 million to RM64.7 million compared to profit before taxation of RM27.8 million in the immediate preceding quarter.

The substantial increase is due to a one-off premium paid on the redemption of the Islamic Medium Term Notes amounting to RM13.3 million in the preceding quarter and the recognition of negative goodwill of RM 20.1 million which arose upon consolidation as the provisional fair value of RWTC is higher than its total cost of investment in RWTC in the current quarter.

The proforma Profit Before Tax (after allocating the Sukuk related cost) of the environment segment for the current quarter increased by RM26.3 million to RM58.0 million, compared to profit before taxation of RM31.7 million in the immediate preceding quarter. The increase in the Profit was mainly due to recognition of the RM20.1 million negative goodwill arising from acquisition of remaining shares in RWTC.

As for the proforma results (after allocating the Sukuk related cost) of the power segment, profit before taxation for the current quarter increased by RM15.6 million compared to profit before taxation of RM51,000 in the immediate preceding quarter, substantially due to a one-off premium paid on the redemption of the Islamic Medium Term Notes of RM13.3 million in the preceding quarter.

**B3. Prospects**

The utilisation of Public Offering proceeds of RM320 million to repay borrowings has resulted in substantial interest cost savings for the group.

The acquisition of the remaining shares in RWTC is expected to enhance the growth in revenue and profit of the Company's environment segment internationally.

**B3. Prospects (continued)**

With reference to page 111 of the Company's Prospectus, the Company is exploring strategic partnership with investors to jointly invest in China's water business. This may require reduction in the Company's holdings in its China water business through partial divestment to such strategic partners. The Company believes such strategic partnerships will facilitate the growth of the business in China by providing broader access to potential clients and target markets.

The environment segment's growth is further supported by the increasing demand for water in the state of Johor.

As for the Power sector, the Company is continuously exploring for opportunities to expand its current Capacity of 380MW.

**B4. Profit Forecast**

Not applicable.

**B5. Taxation**

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

	Individual Quarter		Cumulative Period	
	Current year quarter 30/6/2016 RM'000	Preceding year quarter <sup>(1)</sup> 30/6/2015 RM'000	Current year to date 30/6/2016 RM'000	Preceding year to date <sup>(1)</sup> 30/6/2015 RM'000
<b>Malaysia taxation:</b>				
Current taxation	2,972	N/A	10,237	N/A
(Over)/under provision in prior years	(415)	N/A	(415)	N/A
<b>Foreign taxation:</b>				
Current taxation	46	N/A	46	N/A
Deferred taxation	(642)	N/A	(642)	N/A
<b>Deferred taxation</b>				
Current taxation	11,372	N/A	19,269	N/A
(Over)/under provision in prior years	184	N/A	736	N/A
	<u>13,517</u>	<u>N/A</u>	<u>29,231</u>	<u>N/A</u>
	-		-	

**RANHILL HOLDINGS BERHAD (Company No: 1091059-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE**  
**SECOND QUARTER ENDED 30 JUNE 2016**



**B5. Taxation (continued)**

The Company's effective tax rate (excluding the results of associates and joint venture which are equity accounted net of tax) for the quarter was lower than the statutory tax rate due to the non-taxable income such as negative goodwill arising from the acquisition of the remaining shares in RWTC and being set off against non-allowable tax expenses such as Sukuk interest. However, the Company's effective tax rate (excluding the results of associates and joint venture which are equity accounted net of tax) for current year to date was higher than the statutory tax rate due to non-tax deductibility of sukuk interest.

Notes:

N/A Not Applicable

- (1) No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.

**B6. Profit/ (Loss) before Taxation**

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

	Individual Quarter		Cumulative Period	
	Current year quarter 30/6/2016 RM'000	Preceding year quarter <sup>(1)</sup> 30/6/2015 RM'000	Current year to date 30/6/2016 RM'000	Preceding year to date <sup>(1)</sup> 30/6/2015 RM'000
Amortisation of service concession assets	75,008	N/A	150,016	N/A
Amortisation of software	10	N/A	17	N/A
Amortisation of concession rights	24	N/A	24	N/A
Depreciation of property, plant and equipment	12,288	N/A	24,502	N/A
Listing expenses	431	N/A	1,239	N/A
IMTN premium redemption	-	N/A	13,343	N/A
Negative goodwill arising from acquisition of remaining share in RWTC	20,119	N/A	20,119	N/A
Unrealised foreign exchange loss	2,842	N/A	2,816	N/A
Provision for liquidated ascertained damages	1,637	N/A	1,637	N/A
Property, plant and equipment written off	10	N/A	12	N/A
Allowance for impairments	-	N/A	521	N/A

**RANHILL HOLDINGS BERHAD (Company No: 1091059-K)  
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND QUARTER ENDED 30 JUNE 2016**



**B6. Profit/ (Loss) before Taxation (continued)**

Notes:

N/A Not Applicable

- (1) No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.

**B7. Status of Corporate Proposal Announced**

- (a) The Company was successfully listed on 16 December 2015 upon completion of the reverse takeover exercise. During the quarter under review, the Company successfully raised RM386.785 million from the issuance of 322.321 million shares at a retail price of RM1.20 per share. Shares of Ranhill had commenced trading on Bursa Malaysia Securities Berhad on 16 March 2016. RM220 million was used to redeem IMTN in end March 2016 while another RM100 million has been deposited into a Fixed Payment Account to be utilised to partially redeem the SUKUK.
- (b) On 20 May 2016, the Company has completed the Proposed Remaining RWT (Cayman) Acquisition in accordance with the terms of the RUSB SSA dated 20 June 2014 (and as supplemented on 28 November 2014) with final consideration of USD29,009,404.48. Accordingly, RWT (Cayman) has become a wholly owned subsidiary of Ranhill Holdings Berhad from the date hereof.

**[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**



**RANHILL HOLDINGS BERHAD (Company No: 1091059-K)  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
 SECOND QUARTER ENDED 30 JUNE 2016**



**B8. Group Borrowings**

Particular of the Group's borrowings as at 30 June 2016 are as follows:

	As at 30.06.2016 RM'000
<b>(i) Short Term Borrowings</b>	
Secured :-	
- Bank Overdraft	1,222
- Term loan	15,914
- Banker acceptance	742
- Musharakah Medium Term Notes ("mMTN")	28,728
- SUKUK	686,222
	732,828
Unsecured:-	
- Bank Overdraft	2,925
- Term loan	245
	3,170
	735,998
<b>(ii) Long Term Borrowings</b>	
Secured :-	
- Musharakah Medium Term Notes ("mMTN")	591,450
- Term loan	129,345
Unsecured :-	
- Term loan	352
- Convertible unsecured loan stocks ("CULS")	10,987
	732,134
	1,468,132
	-

\* Sukuk liability has been classified under Short term borrowings due to short indulgence period provided. The debt to equity ratio was distorted due to large merger deficit which arose upon the completion of the reverse-take-over. The Company has received approval from a guarantor on the Company's proposed revised debt to equity ratio and expecting the other guarantor to provide its approval before end August 2016. This revised debt equity ratio will enable the Sukuk to be classified back to its original position under Long term borrowings.

**B8. Group Borrowings (continued)**

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

		As at 30.06.2016 RM'000
<b>(i) Short Term Borrowings</b>		
Secured :-		
	Ringgit Malaysia	716,495
	Thailand Baht	3,116
	Chinese Renminbi	13,217
		732,828
Unsecured :-		
	Ringgit Malaysia	2,925
	Thailand Baht	245
		3,170
		735,998
<b>(ii) Long Term Borrowings</b>		
Secured :-		
	Ringgit Malaysia	591,450
	Thailand Baht	11,790
	Chinese Renminbi	117,555
		720,795
Unsecured :-		
	Ringgit Malaysia	10,987
	Thailand Baht	352
		11,339
		732,134
		1,468,132

**B9. Changes in Material Litigation**

The Company is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Company, and the Directors do not have any knowledge of any proceeding 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 Company, as at the date of this report.

**RANHILL HOLDINGS BERHAD (Company No: 1091059-K)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE**  
**SECOND QUARTER ENDED 30 JUNE 2016**



**B10. Realised and Unrealised Profits**

The following analysis is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants.

	As at 30.06.2016 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:	
- Realised	288,756
- Unrealised <sup>N1</sup>	134,363
	423,119
Total share of retained profits/(accumulated losses) from jointly controlled entities	
- Realised	84,075
- Unrealised <sup>N1</sup>	(12,435)
	494,759
Less : consolidation adjustments <sup>N2</sup>	(303,667)
Total group retained profits as per group accounts	191,092
	-

N1 The unrealised retained profits are mainly deferred tax provisions, net gains arising from remeasurement of assets and liabilities at fair value through profit or loss and translation gains or losses of monetary items denominated in a currency other than the functional currency.

N2 Consolidation adjustments are mainly eliminations of pre-acquisition profits or losses, fair value adjustments arising from the business combination and non-controlling interests' share of retained profits or accumulated losses.

**B11. Dividend Payable**

No interim dividend has been recommended for the financial period ended 30 June 2016.

**RANHILL HOLDINGS BERHAD (Company No: 1091059-K)  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
 SECOND QUARTER ENDED 30 JUNE 2016**



**B12. Earnings per share**

The calculation of the earnings per share for the Group is based on profit after taxation and non-controlling interests on the weighted average number of ordinary shares in issue during the period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year Quarter 30/6/2016 RM'000	Preceding year Quarter <sup>(1)</sup> 30/6/2015 RM'000	Current Year-To-Date 30/6/2016 RM'000	Preceding Year-To-Date 30/6/2015 RM'000
<b>Basic earnings per share</b>				
Profit/(loss) attributable to members of the Company	37,767	N/A	44,673	N/A
Weighted Average Number of Ordinary Shares ('000)*	888,316	N/A	888,316	N/A
Earnings per share (Basic) (sen)	4.25	N/A	5.03	N/A

Notes:

N/A Not Applicable

\* Based on the issued and paid-up share capital after completion of the public offering

(1) No comparative figures for preceding financial year's corresponding quarter and preceding financial year's period-to-date are available as the Company only assumed listing status on 16 December 2015 and commenced trading on Bursa Malaysia on 16 March 2016.