



Ranhill

News Release

1 December 2016

Ranhill signs MOU with IWK

SAJ Holdings Sdn Bhd (“**SAJ**”), a subsidiary of Ranhill Holdings Berhad (“**Ranhill**” or “**Company**”) had, on 30 November 2016, entered into a binding Memorandum of Understanding (“**MOU**”) with Indah Water Konsortium Sdn Bhd, (“**IWK**”) to conduct joint review on the Joint Billing Exercise with the intention to pursue the integration of operations of water and sewerage services.

Under this MOU, both parties will conduct a joint review for the Joint Billing Exercise in the State of Johor, excluding Johor Bahru City & Pasir Gudang which are currently managed by the respective city councils. The Company’s proposed initial phase is to have a combined bill incorporating the prevailing water supply tariff rate and sewerage tariff rate in a single bill with an agreed fee payable to SAJ by IWK for every joint bill issued by SAJ. The Joint Billing Exercise will be subject to final approval from the relevant authorities. Upon completion of the initial phase, the Parties shall pursue towards volumetric tariff followed by the complete integration of water supply and sewerage operations.

“This joint billing exercise will focus on the provision of sustainable, cost-effective and socially responsible water treatment supply and sewerage services”, said Tan Sri Hamdan Mohamad, President & Chief Executive of the Company. “As implemented in Labuan in March this year, the joint billing will not increase the charges to consumers. Instead, it will help them to better manage their bills payment through one consolidated billing”, he added.

SAJ is the sole licensee for water treatment and distribution in the State of Johor pursuant to the licence issued by Suruhanjaya Perkhidmatan Air Negara (“**SPAN**”).

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Ranhill Holdings Berhad (“Ranhill”) is a Malaysian conglomerate listed on the Main Market of Bursa Malaysia Securities Berhad and has invested extensively in environment and power sectors. In the environment sector, it provides water supply services, operates water and wastewater treatment plants, and provides specialized services in the management and optimization of water utility assets. In the power sector, it develops, owns and operates power generation assets. Its operations and

services are primarily in Malaysia and its international operations are centered in Asian markets such as China, Thailand and South East Asia.

In the environment business, it has been granted an exclusive license (renewable every three years) by the Minister of Energy, Green Technology and Water, Malaysia to provide source-to-tap water supply services with total capacity of 1,986 MLD (million liters per day) to the end-customers in the entire State of Johor. Outside Malaysia, it operates water concession assets on a BOT and TOT basis through its subsidiary, Ranhill Water Technologies (Cayman) Ltd, in China with total capacity of 290 MLD and in Thailand with total capacity of 102 MLD, including a 10 MLD reclaimed water treatment plant.

Please visit us at www.ranhill.com.my for more information.

Indah Water Konsortium Sdn Bhd (“IWK”) is a company owned by Minister of Finance Incorporated which has been entrusted with the task of developing and maintaining a modern and efficient sewerage system throughout Malaysia.

IWK is appointed by the Federal Government as a sewerage services concessionaire pursuant to the Concession Agreement between the Government and IWK dated 9 December 1993 and is now an authorised person pursuant to the Water Services Industry Act 2006 and is knowledgeable and experience in all types of planning, technical operation and management of sewerage services.

For more information, please visit us at www.iwk.com.my for more information.

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