



Ranhill

News Release

23 May 2017

Ranhill declares dividend of 7.8 sen for FY2016

Ranhill Holdings Berhad (“**Ranhill**” or “**the Group**”), at its third Annual General Meeting held on 23 May 2017, resolved to distribute a final dividend of 2.0 sen per share for the financial year ended 31 December 2016 (“**FY2016**”).

The final dividend, payable to shareholders on 16 June 2017, summed up to a total of 7.8 sen dividend per share for FY2016, equivalent to approximately RM69.3 million.

Ranhill has paid a first interim dividend of 1.8 sen per share on 28 September 2016, a second interim dividend of 2.0 sen per share on 19 January 2017 and a third interim dividend of 2.0 sen per share on 29 March 2017.

Tan Sri Hamdan Mohamad, President & Chief Executive said, “As outlined in the prospectus for our Public Offering exercise, we promised our shareholders a targeted long-term payout ratio of between 50% - 70% of the Group’s profit”.

“The total dividend of 7.8 sen per share translates to a dividend payout ratio of 96%, showing our commitment to provide the shareholders with profitable returns on their investment, after setting aside necessary funding to sustain our future growth”, he added.

Financial Performance

Ranhill's business model which is based on a stable and recurring income is less susceptible to economic cycles and has produced the desired results.

The Environment sector remains as the main contributor to the Group. The revenue from the Environment sector rose by 12% to RM1.1 billion in FY2016 as water consumption and customer base in Johor increased due to new developments of housing and industrial areas.

Revenue from the Power sector rose by 7% to RM0.32 billion in FY2016 due to the increase in the sales of energy.

Consolidated FY2016 revenue rose by 11% to RM1.45 billion and its Normalised Profit Before Tax increased to RM0.18 billion, recording a growth of 14%.

Outlook

The Company is targeting to increase its current plant capacity from 380 Megawatt (MW) to 1,000 MW by 2020 by focusing on supplying renewable energy such as solar, wind, geothermal and also potential acquisition of existing power plants, when opportunities arise.

This is in line with the Malaysian National Renewable Energy Policy and Action Plan to expand the use of renewable energy to 2,000 MW by 2020 and to achieve optimum use of renewable energy in the next 3 years.

Concurrently, Ranhill is aiming at increasing its existing power plant capacity through future investment in overseas projects in South East Asian countries such as Thailand and Myanmar.

Ranhill continues to pursue opportunities it had identified under the 11th Malaysia Plan which includes an integrated water supply and sewerage services. In December 2016, a key move forward in this regard was achieved with the Memorandum of Understanding ("**MOU**") signed with Indah Water Konsortium Sdn Bhd, Malaysia's national sewerage company.

“The MOU on the Joint Billing Exercise paves the way for the integration of water supply and sewerage services. With the synergy created from the integrated functions of sewerage and water services, we could provide a more cost efficient service to the consumers”. Tan Sri Hamdan concluded.

-ends-

Ranhill is listed on the Main Market of Bursa Malaysia Securities Berhad and has invested extensively in the environment and power sectors. 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 sector, it provides water supply services, operates water and wastewater treatment plants, and provides specialised services in the management and optimisation of water utility assets. 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 million liters per day (“MLD”) to end-consumers for the entire State of Johor. Outside Malaysia, it operates water and wastewater concession assets on a BOT and TOT basis through its associated company and subsidiary. In China, the Group, through its 40% associated company, operates wastewater concession assets with total capacity of 260 MLD and in Thailand, the Group, through its subsidiary, operates water and wastewater concession assets with total capacity of 102 MLD, including a 10 MLD reclaimed water treatment plant.

In the power sector, Ranhill owns and operates two 190 MW Power Plants in Sabah, Ranhill Power I (“RPI”) and Ranhill Power II (“RPII”), providing up to 380 MW of contractual power generating capacity to off-taker, SESB for 21 years. Routine maintenance on both power plants is done by Ranhill Power O&M Sdn Bhd and Ranhill Power O&M II Sdn Bhd, the subsidiaries of RPI and RPII respectively.

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

Issued by: **Group Corporate Affairs, Ranhill Holdings Berhad**
For further information, please contact Emma at 03 2685 5000 or email e.nazlin@ranhill.com.my