

# Non-IFRS Financial Measures

In addition to financial measures used in this Annual Report that were prepared in accordance with International Financial Reporting Standards (IFRS), we used certain non-IFRS financial measures to provide a clearer understanding of our operational performance, financial position and cash flow dynamics.

While these non-IFRS measures may offer valuable insight into our financial performance and health, they do not have standardized definitions under the

IFRS, and therefore may not be directly comparable to similar measures used by other companies. Accordingly, these measures should be considered as supplemental information to be interpreted in conjunction with IFRS measures, rather than as a substitute for these.

Reconciliation of Bahri’s non-IFRS measures used in this Report to the most directly comparable IFRS measures shown in the consolidated financial statements are provided below.

## EBITDA, Earnings Before Interest, Tax, Depreciation and Amortization

We define EBITDA as profit for the year with add-back of the Zakat and income tax provision, finance costs, and depreciation and amortization, less finance income. We use this to evaluate core earnings performance by excluding items that can be influenced by accounting decisions, tax structures and financing arrangements.

(RM million)	2024	2023
Profit for the year	2,386	1,793
Add: Zakat and income tax	115	101
Add: Finance costs	622	622
Less: Finance income	(86)	(80)
Add: Depreciation of property and equipment	1,168	1,151
Add: Depreciation of right of use assets	452	199
Add: Amortization / derecognition of intangible assets	51	56
<b>EBITDA</b>	<b>4,707</b>	<b>3,841</b>

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

## Free cash flow

Free cash flow is defined as the net cash from operating activities less capital expenditure. Capital expenditure is the sum of additions of property and equipment, projects under construction and intangible assets. This measure provides an indication of the cash generated during the period that can be used for dividend payments, paying down debt and leases, increasing cash at hand, and/or for other investing and financing activities.

(RM million)	2024	2023
Additions of property and equipment	246	253
Additions of projects under construction	5,223	1,388
Additions of intangible assets	9	6
<b>Capital expenditure</b>	<b>5,479</b>	<b>1,647</b>
Net cash from operating activities	3,406	3,561
Less: Capital expenditure	(5,479)	(1,647)
<b>Free cash flow</b>	<b>(2,073)</b>	<b>1,913</b>

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

## Net debt

We define net debt as the sum of current and non-current loans and borrowings and lease liabilities less cash and cash equivalents. It is a measure of the amount of financial obligations of Bahri that incur finance costs, including its leases, that would remain after we utilize available cash and cash equivalents.

(RM million)	2024	2023
<b>Current liabilities</b>		
Loans and borrowings	460	609
Lease liabilities	436	188
<b>Non-current liabilities</b>		
Loans and borrowings	8,288	7,060
Lease liabilities	540	499
<b>Gross debt</b>	<b>9,725</b>	<b>8,356</b>
Less: Cash and cash equivalents	(1,822)	(2,913)
<b>Net debt</b>	<b>7,903</b>	<b>5,443</b>

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

## Gearing

Gearing is defined as net debt divided by the sum of net debt and total equity. This provides a measure of our level of indebtedness relative to the capital provided by creditors and shareholders, including those with non-controlling interests in Bahri’s subsidiaries. It is used by the Company for managing its capital structure.

(RM million)	2024	2023
Net debt	7,903	5,443
Total equity	14,585	12,642
Sum of net debt and total equity	22,488	18,085
<b>Gearing</b>	<b>35%</b>	<b>30%</b>

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.

## Net debt / EBITDA

We define net debt-to-EBITDA as net debt divided by EBITDA of the 12 months preceding the end of a period, expressed as a multiple of years. This measure provides an indication of the number of years it would take for us to pay off our debt if our EBITDA is held constant, and may be used to gain insights on our financial health and flexibility and our level of reliance on debt.

(RM million)	2024	2023
Net debt	7,903	5,443
EBITDA	4,707	3,841
<b>Net debt / EBITDA</b>	<b>1.68x</b>	<b>1.42x</b>

Notes: Numbers presented may not add up precisely to the totals provided due to rounding.