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**GAMUDA’S RIGOROUS COVID-19 CONTROL MEASURES ENABLED WORKS ON ALL FRONTS TO PICK UP PACE DESPITE PERSISTENT COVID-19 VARIANTS OUTBREAK AROUND THE WORLD. AS WORKS WERE RAMPED UP, THE GROUP’S EARNINGS ROSE 56 PERCENT, WHEN COMPARED TO LAST YEAR, ON THE BACK OF STRONGER CONSTRUCTION AND PROPERTY EARNINGS.**  
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**MR. SOO KOK WONG**  
 Group Chief Financial Officer

# STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

## FINANCIAL PERFORMANCE ANALYSIS

**Critical projects such as MRT Putrajaya Line and Pan Borneo Highway continued operations despite more lockdowns in 2021**

Moving into another year of COVID-19 pandemic, the world is grappling again with a highly transmissible Delta variant that had caused a renewed spike in infection rate. Countries where the Group operates, such as Malaysia, Vietnam, Australia and Singapore, experienced more stringent lockdowns throughout the financial year 2021 to contain the outbreak. Our Malaysian businesses faced close to 300 days of movement restrictions in 2021 under multiple phases of Movement Control Order (MCO), except for critical projects such as MRT Putrajaya Line (formerly called MRT Line 2) and Pan Borneo Highway that continued to operate without interruptions.

## GROUP SEGMENTAL PERFORMANCE

| RM'million                                   | 2021         | 2020  | Var   |
|--|--------------|-------|-------|
| <b>REVENUE</b>                               | <b>5,016</b> | 6,805 | -26%  |
| <b>NET PROFIT:</b>                           |              |       |       |
| Engineering and Construction                 | 253          | 173   | 46%   |
| Property Development                         | 172          | 127   | 36%   |
| Water and Expressway                         | 163          | 225   | -28%  |
| <b>Core Net Profit</b>                       | <b>588</b>   | 525   | 12%   |
| Less: One-off non-cash IBS assets impairment | -            | (148) | -100% |
| <b>Net Profit</b>                            | <b>588</b>   | 377   | 56%   |

**Gamuda’s rigorous COVID-19 control measures enabled works on all fronts to pick up pace despite persistent COVID-19 variants outbreak; Group earnings surged 56 percent**

The Group’s stronger financial performance in FY2021 as evidenced by the surge in its full year earnings is testimony of the success of Gamuda’s rigorous COVID-19 control measures that had enabled works on all fronts to pick up pace despite persistent COVID-19 variants outbreak in the countries where the Group operates. As works were ramped up, the Group’s earnings rose 56 percent, when compared to last year, on the back of stronger construction and property earnings.

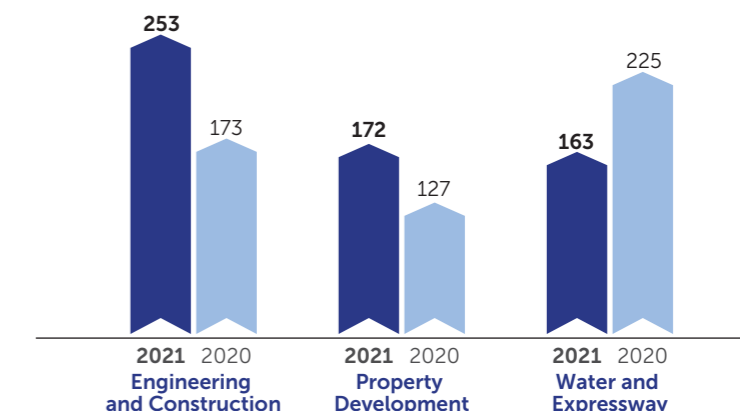
Overall, the Group posted a revenue of RM5.0 billion, a decrease of 26 percent compared with the half COVID-19-free preceding year’s revenue of RM6.8 billion as the first phase of MRT Putrajaya Line traversing from Kwasa Damansara station to Kampung Baru station nears completion. The Group’s full year earnings rose 56 percent to RM588.3 million from last year’s earnings of RM376.5 million due to stronger construction and property earnings and the absence of last year’s one-off non-cash Industrialised Building System (IBS) assets impairment of RM148.1 million.

**GROUP:  
 NET PROFIT  
 RM588 MILLION  
 INCREASE OF 56%**

**Property sales returning to pre-pandemic level as property sales jumped 32 percent; overseas sales, especially Vietnam and Singapore, contributed two-thirds of overall sales**

Gamuda Land sold RM2.9 billion worth of properties this year or 32 percent more than last year’s sales of RM2.2 billion. Sales for the current year was returning to the pre-pandemic annual sales of RM3 billion recorded back in 2019.

**Net Profits by Division**  
 RM'million



## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

### GROUP SEGMENTAL PERFORMANCE (CONT'D.)

#### Strong construction order book of RM4.5 billion and unbilled property sales of RM4.6 billion will see the Group through the next two years

Moving forward, the resilience of the Group is underpinned by its RM4.5 billion construction order book and RM4.6 billion unbilled property sales which will see it through the next two years. On top of that, the Group has a healthy balance sheet with a low gearing of 0.2 times and a strong cash position.

#### Lower traffic plying the four expressways amid more lockdowns in Malaysia

The concession division's earnings had declined 28 percent due to lower traffic plying the Group's four expressways as more lockdowns were imposed in Malaysia this year as COVID-19 cases surged. Gamuda Water's essential water services continued unimpeded.

### ENGINEERING AND CONSTRUCTION

#### Strong order book of RM4.5 billion – excluding the RM5 billion order book from Penang South Islands' (PSI) Silicon Island project; construction works continued unimpeded due to rigorous COVID-19 control measures

The construction division delivered a solid earnings performance this year, earnings jumped 46 percent to RM253.0 million from last year's RM173.1 million mainly due to higher earnings contribution from MRT Putrajaya Line as the first phase traversing from Kwasa Damansara station to Kampung Baru station nears completion with operations to commence in November 2021. Excluding PSI's Silicon Island (Island A), the construction order book stands at RM4.5 billion.

#### (a) Recent Award: Taiwan – 161kV Songshu to Guangfeng underground transmission line (RM460 million)

Gamuda's 50 percent-owned joint venture with a Taiwanese company has in August 2021 won the tender to construct a 161kV underground transmission line and auxiliary electrical and mechanical system with a contract price of NTD3,087 million for Taiwan Power Company Ltd., a state-owned electric power industry enterprise in Taiwan. Construction duration is about three and a half years.

#### (b) Klang Valley Mass Rapid Transit (KVMRT): MRT Putrajaya Line

As of 31 July 2021, MRT Putrajaya Line's overall cumulative progress is on schedule; Elevated works package at 97 percent and Underground works package at 90 percent. Overall progress for Phase 1 (Kwasa Damansara station to Kampung Baru station) is substantially completed with system integration testing and operational readiness in progress. For Phase 2 Underground works and Elevated packages, the station structural, mechanical installation, fit-out works, and trackworks are progressing well. Delivery and assembly of system equipment and electric train for Phase 2 are currently ongoing.

### ENGINEERING AND CONSTRUCTION: NET PROFIT

**RM253** MILLION  
INCREASE OF 46%

### ENGINEERING AND CONSTRUCTION (CONT'D.)

#### (c) Penang Transport Master Plan (PTMP)

The Penang State Government (PSG) and the Company's 60 percent-owned SRS Consortium Sdn Bhd (SRS) have executed a Public Private Partnership (PPP) agreement on 25 March 2021 whereby SRS will undertake the construction and development of the Silicon Island (Island A) of the PSI via a project development model in a 70:30 PPP joint venture with the PSG. Key terms of the Joint Venture Agreement are:

- PSG gets a 30 percent stake in the joint venture.
- All equity capital and borrowings will be funded by SRS. SRS assumes all project risks including underwriting all borrowings required for the project with no recourse to PSG.
- Phase 1 reclamation works shall be awarded to Gamuda Engineering Sdn Bhd, a wholly-owned subsidiary of the Company. The contract price shall be determined after verification by an Independent Consulting Engineer to be appointed by PSG.

On 8 September 2021, the Appeal Board of the Department of Environment set aside the approval of the PSI Environmental Impact Assessment (EIA), ruling that the approval did not comply with Section 34A(4)(a) of the Environmental Quality Act 1974. This was because the Penang Structure Plan 2030 was not in force at the time the EIA approval was given.

The PSG intends to file a Judicial Review, and will also resubmit the EIA for approval so that the PSI Project, which is critical to the recovery of the State's economy post COVID-19, can continue as planned. This could delay the reclamation works by six to eight months.

#### (d) Sarawak

##### (i) Pan Borneo Highway Package (WPC-04) (Pantu Junction to Btg Skrang)

The Sarawak Pan Borneo Highway package (WPC-04) project's scope which includes the widening and upgrading of the existing 89.3km long highway from two-lane single carriage road to a four-lane dual carriageway of JKR R5 standard, is progressing on schedule with overall cumulative progress at 63 percent as of July 2021. Naim Engineering Sdn Bhd – Gamuda Berhad JV is the contractor.

##### (ii) Batang Lupar Bridge at Sri Aman Town

Naim Engineering Sdn Bhd – Gamuda Berhad JV accepted the award of the Second Trunk Road (Package B3) Proposed Batang Lupar Bridge No. 2 at Sri Aman Town project valued at RM224 million on 24 February 2020. Extension of Time (EOT) No. 1 due to impact from the MCO was granted on 18 August 2020. With a total extension of 79 days, the new target completion date will be on 9 June 2024. Overall cumulative progress as of the end of July 2021 was on schedule at six percent.

#### (e) Taiwan

##### (i) Marine Bridge

The Group's 70 percent-owned joint venture with a Taiwanese company is constructing a 1.23km marine bridge worth NTD3,955 million (equivalent to RM522 million) for CPC Corporation Taiwan, a state-owned petroleum company which is expected to be completed in November 2022. Offshore piling works and external casing are progressing well according to schedule. The overall cumulative progress as of the end of July 2021 was on schedule at 59 percent.

##### (ii) Seawall for Reclamation Project

Gamuda's 70 percent-owned joint venture with a Taiwanese company has in December 2019 won the tender to construct 4,014 metres of seawall structure with contract price of NTD6,817 million (RM932 million) for Taiwan International Ports Corporation, a state-owned port operation company. Completion is targeted for March 2025. Caisson construction is in progress. The overall cumulative progress as of the end of July 2021 was on track at 19 percent.

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

### ENGINEERING AND CONSTRUCTION (CONT'D.)

#### (f) Gamuda Australia

Gamuda (Australia) Branch and Gamuda Engineering (Australia) Pty Ltd are well established and expected to contribute positively. We are actively bidding for multibillion worth of projects in New South Wales, Victoria, Queensland and Western Australia.

Notable projects currently under tender:

- AUD2.5 billion (RM7.5 billion) Sydney Metro West – Western Tunnelling Package; project award has been extended to Q1, 2022 due to change of tender specifications by client
- AUD2.5 billion (RM7.5 billion) Western Sydney Airport Metro line (Station Box and Tunnelling package); outcome expected in December 2021
- AUD1.5 billion (RM4.5 billion) Coffs Harbour Bypass 12km Road Project – shortlisted to participate in the tender process in early October 2021 with the outcome expected in mid-2022

#### (g) Singapore: Gali Batu Multi-Storey Bus Depot

The Land Transport Authority of Singapore (LTA) awarded the SGD260 million (RM800 million) contract for the Gali Batu Multi-Storey Bus Depot to Greatearth Corporation-Gamuda Berhad Singapore Branch Joint Venture on 12 November 2019. The project consists of a three-storey administrative building, a five-storey dormitory and a five-storey main depot equipped with parking spaces for 715 buses, refuelling and washing facilities, repair and maintenance facilities with cutting-edge technology to cater for the operation of electric buses. The original contract duration is 41 months.

Excavation work and piling works for the bus depot are ongoing at the site. The overall cumulative status as of the end of July 2021 was on track at 15 percent.

Our 55 percent joint venture partner, Greatearth Corporation filed a statutory declaration on 3 September 2021 of the company's inability to continue business, and notified us of their intention to withdraw from this contract. We are currently pursuing a full novation of the contract to Gamuda Berhad Singapore Branch with LTA, and a settlement agreement with Greatearth Corporation in parallel.

#### (h) Gamuda Digital IBS

Gamuda Digital Industrialised Building Systems (IBS) currently operates from its larger Banting factory while its smaller Sepang factory remained shut down since last year as the pace of building construction slowed because the contractors were only able to operate at half capacity due to stringent health and safety control measures imposed by the authorities. Digital IBS produces solid walls and slabs, double-wall, pre-stressed slab, bathroom pods and other special elements that applies to both high-end and affordable, landed and high-rise residential and commercial unit. Digital IBS produced the units for Gamuda Land as well as other property developers.

Various cost reduction initiatives have been implemented to bring down the operational cost as well as redesigning the construction architecture of the range of precast products, to gain a competitive edge over conventional construction methods.

### PROPERTY DEVELOPMENT

#### Overseas projects, especially Vietnam and Singapore, continued to lead in sales performance, contributing two-thirds of overall sales; Sales returning to pre-pandemic level

| RM'million             | Pre-COVID year | Half-COVID year | Full-COVID year |
|------------------------|----------------|-----------------|-----------------|
|                        | 2019           | 2020            | 2021            |
| <b>Property Sales:</b> |                |                 |                 |
| Overseas               | 2,055          | 1,463           | <b>1,756</b>    |
| Local                  | 1,015          | 722             | <b>1,122</b>    |
| <b>Total</b>           | <b>3,070</b>   | <b>2,185</b>    | <b>2,878</b>    |

Property sales increased by 32 percent as the property division sold RM2.9 billion worth of properties this year compared with RM2.2 billion last year. Sales for the current year was returning to the pre-pandemic annual sales of RM3 billion recorded back in 2019. Strong overseas sales, especially Vietnam and Singapore, contributed two-thirds of overall sales while improved sentiment continued to drive sales for key local projects.

Notwithstanding cautious consumer sentiments, demand remains strong supported by low interest rates and home ownership incentives introduced by the government. On top of that, engagement with existing and potential customers via Virtual Experience Gallery, Gamuda Land Lifestyle Mobile app, and launching of Gamuda Land Online Property Deals website accompanying with targeted digital marketing through push technology are proven to be effective. Local project sales jumped 55 percent compared with last year due to pent-up demand for the three newer local projects, Gamuda Gardens, twentyfive.7 and Gamuda Cove. Overseas sales rose 20 percent as projects in Vietnam and Singapore continued to lead in overall sales; overseas sales contributed two-thirds of the Group sales. The property division remains committed to grow core business segments and to reduce inventories.

| RM'million                  | 2021         | 2020  | Var |
|-----------------------------|--------------|-------|-----|
| Unsold completed properties | <b>781</b>   | 853   | -8% |
| Unbilled property sales     | <b>4,600</b> | 3,300 | 39% |

**PROPERTY DEVELOPMENT:  
NET PROFIT**  
**RM172** MILLION  
INCREASE OF 36%

#### RM200 million property stocks were cleared in 2021; Balance unsold completed properties of RM781 million consisting 40 percent landed and 60 percent high-rise

As of 31 July 2021, the unsold completed properties stood at RM781 million consisting 40 percent landed and 60 percent high-rise properties located mainly in Klang Valley and Johor. During the year, almost RM200 million worth of property stocks were cleared while some completed landed properties were added to the stockpile.

#### Overseas

##### (a) Hanoi and Ho Chi Minh, Vietnam

Vietnam's high GDP growth, stable inflation, and better business environment have become key drivers to attract more foreign direct investment (FDI). Recent years witnessed ambitious plans from the Vietnamese government to expand and upgrade existing transportation infrastructure system resulting in the growth of new urban areas as former rural areas become easily accessible. This augurs well for both Hanoi and Ho Chi Minh, driving demand for thoughtfully planned green developments such as Celadon City and Gamuda City.

Sales from Gamuda City in Hanoi and Celadon City in Ho Chi Minh, continued to be the biggest contributor of overseas sales. Taking advantage of Vietnam's relaxed rules that enable foreigners to buy up to 30 percent of the units in new residential project, sales efforts targeting investors from Hong Kong has produced good results for both projects in Vietnam.

Gamuda City's outlook will be fuelled by the upcoming commercial development in Gamuda City Central, located next to the established Yen So Park. These include shop offices and a shopping mall targeted for launch in 2022 and is expected to appeal to surrounding communities, enhancing the value of future residential developments in Gamuda City Central.

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

### PROPERTY DEVELOPMENT (CONT'D.)

#### (a) Hanoi and Ho Chi Minh, Vietnam (cont'd.)

Having matured over the years with lush greenery and vast central park for communities to thrive, Celadon City has carved out a name for itself in Ho Chi Minh City, becoming a sought-after development with a reputation for delivering not only on quality; but one that enhances quality of lifestyle as well. Its recent apartment launches recorded 98 percent units sold while The Glen condo villas unveiled in April 2021 were fully sold during launch. Celadon City will be focusing its sales efforts in clearing remaining units as well as next phase launch of Diamond Centery precinct.

In the upcoming years, Gamuda Land intends to continue its strong growth trajectory in Vietnam, with its strategic acquisition of 13.8 acres land parcel in Binh Duong New City, 2,600 acres integrated township set to be the administrative centre of the nation's affluent Binh Duong province. The project is set for launch in Q3 2022, concurrent with other high-profile developments such as the World Trade Center Gateway and Aeon Mall, kickstarting the commercial pulse of the area as an integrated hub for international trade, industry and more, which is expected to contribute to the Group earnings over the next five years.

#### (b) Singapore

On the heels of our successful maiden project, GEM Residences, a Green Mark-certified condominium that was fully sold in 2016; we launched OLÁ, the 548-unit executive condominium with a GDV of SGD660 million at Anchorvale Crescent in Singapore. With OLÁ's strategic location coupled with first-rate connectivity, we achieved 93 percent sales valued at SGD610 million since its launch mid-Mar 2020. OLÁ is expected to be completed in 2023.

#### (c) Melbourne, Australia

Sales at 661 Chapel St. in Melbourne, Australia continues with increasing interest from local Australian buyers. Despite the city being in lockdown since mid-July, property prices have continued to grow in Melbourne, albeit at a slower pace. Major banks in Australia (Westpac, CBA, NAB, ANZ) are bullish on property prices in Melbourne, ranging from eight percent to 16 percent in 2021 and from six percent to 19 percent in 2022.

#### Malaysia

Local projects contributed one-third of overall sales. Gamuda Land Lifestyle Mobile app, the Virtual Experience Gallery and the Gamuda Land Online Property Deals website have proven to be effective sales tools to complement in-person sales experiences amid movement control restrictions.

As the pandemic shifts homebuyers' focus towards developments surrounded by nature and a healthy environment, it is anticipated that Gamuda Gardens' placemaking centred around the lush 50 acres central park with two waterfalls and five cascading lakes will attract good footfall to the development resulting in good sales take up.

Sales in twentyfive.7 has picked up on the back of ongoing enhancements undertaken in the project including overall aesthetics and landscaping to increase the development's appeal. Quayside Mall, being the only shopping mall within a 10km radius of Kota Kemuning continued to attract surrounding community to the development during the various movement control phases.

Gamuda Cove's Enso Woods has also seen strong demand from homebuyers' for its affordability. Enso Woods was designed to cater to post-pandemic living with a Japanese-minimalist interior layout featuring open layout and ample natural lighting. Gamuda Cove's prospect will also be driven by the impending launch of Splashmania rainforest themed park, located next to Townsquare, the commercial centre of the township. Supported by various eco-tourism activities in Paya Indah Discovery Wetlands, Discovery Park and the upcoming 90 acres Forest Park, the outlook for Gamuda Cove augurs well.

Mature developments including Horizon Hills and Jade Hills have launched products that cater to their respective homebuyers' profile. These include semi-detached products as well as superlink homes which are the largest contributor of sales in both projects. Sales in Horizon Hills is driven by its link houses and semi-detached products in the Woodlands Precinct, while 18 Enclave semi-detached units in Jade Hills is already 75 percent sold with limited units available in Rymba Gardens which is slated for completion in Q1 2023.

Ongoing projects are:

- Gamuda Cove in Southern Klang Valley
- Kundang Estates in Sungai Buloh
- Bukit Bantayan Residences in Kota Kinabalu
- twentyfive.7 in Kota Kemuning
- Jade Hills in Kajang
- Horizon Hills in Iskandar Puteri, Johor
- Gamuda Gardens in Sungai Buloh
- HighPark Suites in Petaling Jaya

### WATER AND EXPRESSWAY

**The concession division's earnings declined 28 percent due to lower traffic plying the Group's four expressways as more lockdowns were imposed in Malaysia this year as COVID-19 cases surged. At the time of writing this statement, the traffic volume is recovering strongly to pre-MCO level. Gamuda Water's essential water services continued unimpeded.**

#### (a) Expressway

Traffic volume recovering strongly to pre-MCO level after movement restriction was lifted.

Traffic plying the four highways declined this year due to the various movement restrictions imposed in the Klang Valley. However, as of 16 October 2021, the traffic volume is recovering strongly to pre-MCO level as movement restrictions were lifted.

|        | Measured as % of traffic pre-MCO 1.0 level (Mar 2020) |                   |
|--------|---|-------------------|
|        | End July 2021   | As of 16 Oct 2021 |
| LITRAK | 60%   | 93%               |
| KESAS  | 58%   | 84%               |
| SPRINT | 24%   | 77%               |
| SMART  | 12%   | 63%               |

#### (b) Water

The operations and maintenance of the Sungai Selangor Water Treatment Plant Phase 3 undertaken by Gamuda Water was going on smoothly.

### WATER AND EXPRESSWAY: NET PROFIT

**RM163** MILLION  
DECREASE OF 28%

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

## Consolidated Cash Flow Analysis

| RM'million  | 2021  | 2020  |
|---|-------|-------|
| Net cash generated from operating activities                          | 972   | 573   |
| Net cash generated from investing activities                          | 135   | 208   |
| Net (repayment)/drawdown of borrowings and other financing activities | (361) | 162   |
| Net increase in cash at year end                                      | 746   | 943   |
| Cash and bank balances and investment securities                      | 3,538 | 2,792 |

Stronger operating cash inflow from ongoing construction projects particularly MRT Putrajaya Line, sales collection from property sales and cash proceeds from monetisation of Splash and Gamuda Water receivables via Asset Backed Securitisation during the year.

## Capital Management

| RM'million  | 2021    | 2020    |
|---|---------|---------|
| Total borrowings  | 5,228   | 5,465   |
| Total cash and bank balances, and investment securities | (3,538) | (2,792) |
| Net borrowings  | 1,690   | 2,673   |
| Owner's equity and non-controlling interests            | 9,516   | 8,968   |
| Net gearing ratio (times)                               | 0.2     | 0.3     |

The Group's approach to capital management is to maintain a strong credit rating for its borrowings and healthy capital ratios in order to support its businesses. The Group aims to maintain a prudent net gearing of not more than 0.7 times. At the end of this year, the Group's net gearing ratio improved to 0.2 times as a result of stronger operational cash inflows and the monetisation of Splash and Gamuda Water receivables via Asset Backed Securitisation. Strong net gearing ratio of 0.2 times gives the Group ample capacity to raise borrowings to fund upcoming projects, for example Penang Silicon Island, without going to shareholders for equity call.

The Group's overseas projects are financed by borrowings denominated in the local currency of the country which the business is located in order to provide a natural hedge on the Group's foreign currency exposure. The Group will continue to lock-in the prevailing low borrowing cost with long dated fixed-interest rate borrowings such as bonds at an opportune time.

## Group's borrowings profile

| Borrowing due for repayment in (RM'million) | <1 year | 1-2 years | >2 years | Total |
|---|---------|-----------|----------|-------|
| FY2021                                      | 1,452   | 1,004     | 2,772    | 5,228 |
| FY2020                                      | 2,513   | 670       | 2,282    | 5,465 |

The Group's borrowing profile as of year end improves, as shown by the followings:

- lower total borrowings at end of this year as the Group pared down debts on the back of stronger operating cash inflow.
- short-term borrowings due within one year decreased by RM1 billion as the Group continued to refinance short-term borrowings with longer term borrowings at the prevailing low borrowing cost.

## Consolidated Financial Position Analysis

| RM'million   | 2021          | 2020          | Var  |
|--|---------------|---------------|------|
| Non-current assets                                       | 8,528         | 9,002         | -5%  |
| Current assets   | 9,895         | 9,526         | 4%   |
| <b>Total assets</b>                                      | <b>18,423</b> | <b>18,528</b> | -1%  |
| Non-current liabilities                                  | 4,427         | 3,673         | 21%  |
| Current liabilities                                      | 4,481         | 5,887         | -24% |
| <b>Total liabilities</b>                                 | <b>8,908</b>  | <b>9,560</b>  | -7%  |
| Owner's equity   | 9,164         | 8,541         | 7%   |
| Liquidity ratio  |               |               |      |
| - Current ratio (times)*                                 | 2.2           | 1.6           | 0.6  |
| - Quick ratio (times)**                                  | 2.0           | 1.5           | 0.5  |
| Net assets per share attributable to equity holders (RM) | 3.65          | 3.40          | 0.25 |

\*Current ratio measures the Group's ability to pay off its short-term liabilities with its current assets. It includes unsold completed properties.

\*\*Quick ratio, also known as the acid-test ratio, measures the ability of a company to use its near cash or quick assets to extinguish its current liabilities. Hence, it only includes highly liquid assets, examples such as cash and receivables, but excludes unsold completed properties.

## Total assets

Following the monetisation of long-term receivables by the Company 80 percent owned-subsiary, Gamuda Water, the Group's total assets decreased by one percent (RM105 million) year-on-year due to dividend distribution by Gamuda Water.

## Total liabilities

Total liabilities of the Group decreased by seven percent (RM652 million) year-on-year primarily contributed by the repayment of borrowings due to strong cash flow generated from operations.

## Owner's equity

Owner's equity increased by seven percent (RM623 million) to RM9,164 million, mainly due to the earnings during the year.

## Quick ratio

The Group's strong liquidity in covering two times of short-term payables represents the Group's strong financial strength.

## Capital Expenditure Requirements

Major capital expenditure for the coming year is for the acquisition of 13.8 acres land parcel in Binh Duong New City by Gamuda Land HCMC JSC, valued at RM228.5 million (USD53.9 million).

## Dividend Payout

|                                    | 2021 | 2020 |
|------------------------------------|------|------|
| Dividend per share (sen)           | -    | 6.00 |
| Dividend payout as a % of earnings | -    | 40%  |

Dividend payment was suspended in 2021 as the global and local business and economic outlook remained uncertain due to new variants of COVID-19 detected and also to conserve cash to sustain operations like most companies worldwide.

## Core return on owner's equity

The Group's core return on owner's equity improves to 6.4 percent from 6.1 percent due to stronger construction and property earnings as works on all fronts were ramped up this year.

## MR. SOO KOK WONG

Group Chief Financial Officer