



GROUP CHIEF FINANCIAL OFFICER'S STATEMENT

MR. SOO KOK WONG
GROUP CHIEF FINANCIAL OFFICER

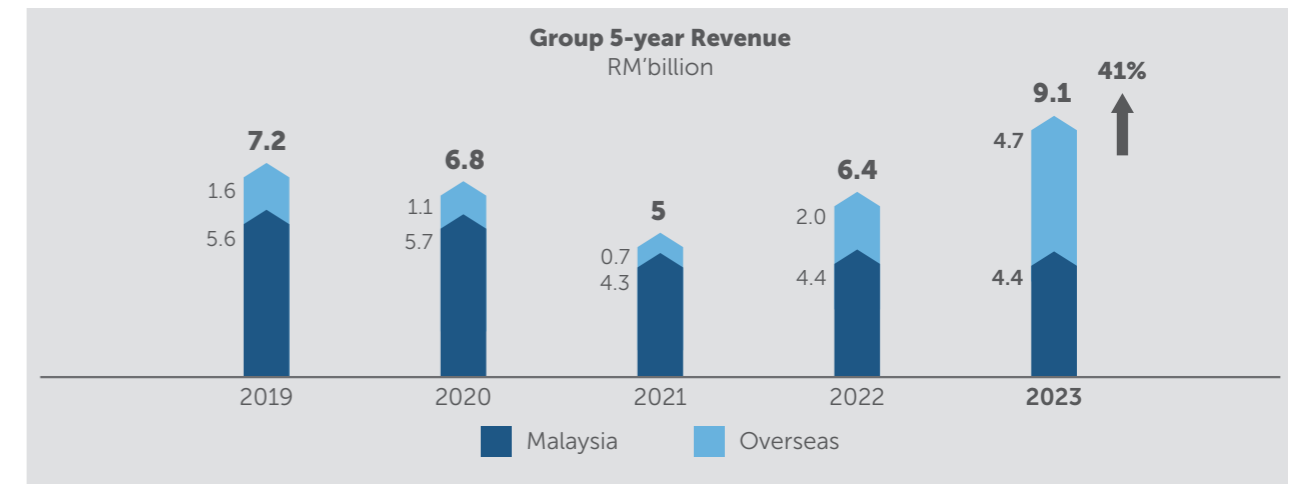


GAMUDA POSTED ALL-TIME-HIGH REVENUE, PRE-TAX EARNINGS AND NET PROFITS. OVERSEAS REVENUE MORE THAN DOUBLED TO RM4.7 BILLION; PROPELLED BY A SEVENFOLD REVENUE SURGE FROM AUSTRALIA. CONSTRUCTION ORDERBOOK REACHED AN ALL-TIME-HIGH RM25 BILLION WHILE PROPERTY SALES ROSE TO A RECORD RM4.1 BILLION.

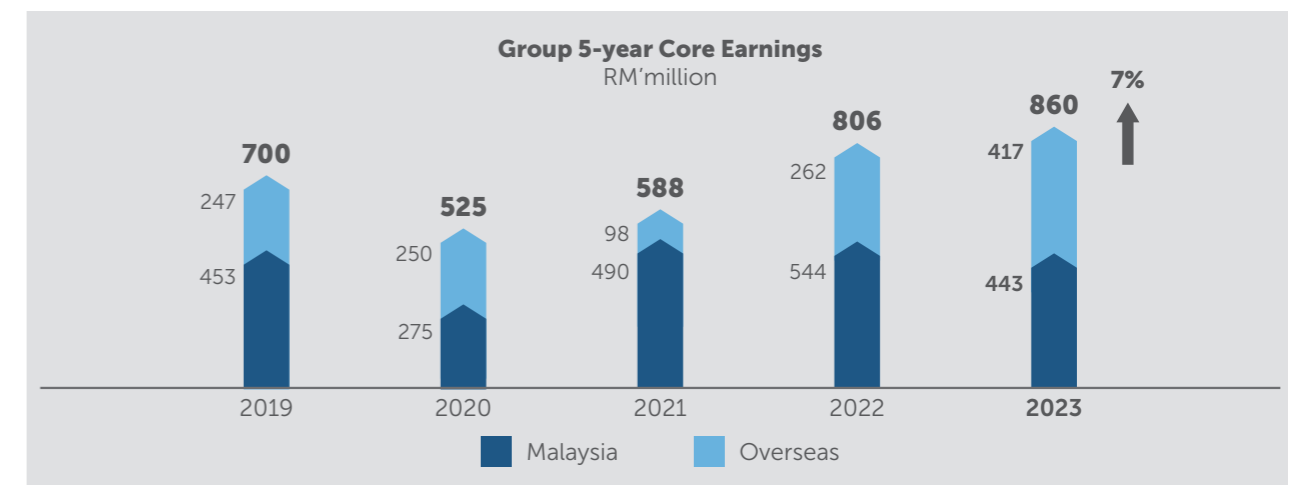


ANOTHER YEAR OF RECORD-BREAKING ACHIEVEMENTS

The Group continued its record-breaking achievements in FY2023, attaining remarkable milestones in terms of revenue, pre-tax earnings and net profits despite the absence of two key profit drivers this year – toll highways (disposed) and MRT Putrajaya Line projects (completed). The Group posted RM9.1 billion revenue this year, showing a momentous growth of 41 percent from last year's revenue of RM6.4 billion. Overseas revenue more than doubled to RM4.7 billion, contributing more than half of the Group's top line this year. Amidst a flat domestic market, Malaysia revenue remained at RM4.4 billion high.



The Group's pre-tax earnings crossed the RM2 billion mark for the first time, beating last year's record RM1 billion. Excluding this year's RM1 billion exceptional cash gain on divestment of highways, core post-tax earnings grew 7 percent to a record-busting RM860 million on the back of higher overseas construction earnings.



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ENGINEERING AND CONSTRUCTION

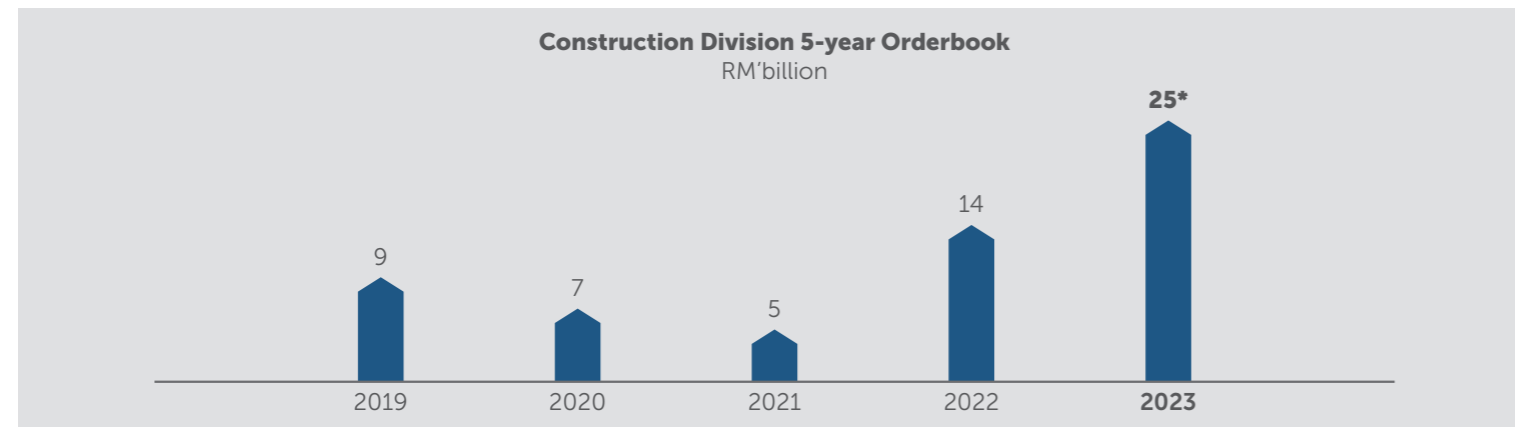
Gamuda Engineering (GE) posted record-breaking construction orderbook, revenue and earnings as a sevenfold revenue surge from Australia cushioned a flat domestic division.

GE's strong growth trajectory remained on track as its regionalisation strategy takes hold; resulting in record-high construction orderbook, revenue and earnings this year. GE secured RM15 billion new contract wins culminating in the record RM25 billion construction orderbook. Our regionalisation strategy has proven to be a resounding success as our construction orderbook is now heavily dominated by Australia (51 percent), Taiwan and Singapore (25 percent) followed by Malaysia (24 percent).

With this solid project pipelines, construction revenue rose to a record-high RM6.2 billion, doubling its revenue last year. The division achieved all-time-high earnings of RM500 million, growing 20 percent from last year's RM416 million, despite the completion of MRT Putrajaya Line project this year.

The overseas businesses are now the key growth driver for the division. Spearheaded by Australia, the overseas operations contributed 60 percent of divisional revenue and one-quarter of divisional earnings. Overseas construction revenue surged fourfold to a record RM3.5 billion from last year's RM714 million due to Australia's significant revenue surge (sevenfold increase) as overseas earnings surged to RM108 million.

With a large construction orderbook, GE expects to double its revenue in the upcoming financial year.



*RM15 billion new contract secured and with completed orderbook recognised as revenue.

Project Updates

New Project Wins:

Timeline	Country	Project	RM'billion
October 2022	Taiwan	Taoyuan City Underground Railway Project, Package CJ18 PingZhen Commuter Station	1.3
December 2022	Australia	M1 Motorway Extension to Raymond Terrace: Black Hill to Tomago Package	1.2
February 2023	Malaysia	AIMS Data Centre	0.2
June 2023	Malaysia	Silicon Island, Penang Reclamation – Phase 1	3.7
June 2023	Australia	DT Infrastructure projects	5.5
October 2023	Taiwan	Kaohsiung MRT Metropolitan (Yellow Line) Civil Engineering Package YC01 Project	3.0
Total			14.9

a) Klang Valley Mass Rapid Transit: MRT Putrajaya Line

MMC Gamuda is the Turnkey Contractor for the elevated and underground works for the Klang Valley MRT Putrajaya Line, with a contract price of RM30.5 billion.

The works for entire MRT Putrajaya Line works have been completed and the line was fully operational on 16 March 2023.

b) Penang Transport Master Plan

On 6 March 2023, the Project Development Agreement was executed between Penang State Government ("PSG") and the Project Developer namely, Silicon Island Development Sdn Bhd ("SID"), in relation to the Project Development of Island A ("Silicon Island") through the deployment of private sector capital without any recourse to PSG. The key terms of the Project Development Agreement are:

- PIC PD Sdn Bhd ("PIC"), wholly owned by PSG, holds a 30 percent stake in the Project Developer. SRS PD Sdn Bhd ("SRS PD"), a wholly owned subsidiary of Gamuda, and is the incorporated entity nominated by SRS Consortium Sdn Bhd, holds the remaining 70 percent.
- Gamuda through SRS PD funds the equity capital and borrowings including underwriting all borrowings required for the project with no recourse to PSG/PIC.
- Project Developer has the sole, exclusive and full right to commence, manage, carry out and complete the Project Development of Island A in compliance of the law including the following components:

- the Project Development Master Planning including securing planning approvals and other approvals for the Common Infrastructure (including smart city features), investor marketing and land disposal of the reclaimed lands; and
- the design, construction and completion of Island A measuring 2,300 acres, Common Infrastructure (including smart city features) and Highway PIL2A ("TC Works") to be awarded to SRS TC Sdn Bhd ("Turnkey Contractor"), a wholly owned subsidiary of Gamuda.

On 22 June 2023, SID awarded the Phase 1 reclamation works (measuring approximately 1,260 acres) with a fixed lump sum of RM3.72 billion being the first part of the TC Works to Turnkey Contractor. The Turnkey Contractor has simultaneously onward award Phase 1 Reclamation Works to Gamuda Engineering Sdn Bhd, with a fixed lump sum of RM3.50 billion.

EIA Approval for PSI Reclamation works was issued by DOE on 11 April 2023. Subsequently the EMP Approval was issued by DOE Penang on 21 July 2023. Reclamation works has commenced in September 2023.

The Prime Minister of Malaysia on 6 May 2023 announced that the Federal Government will fund the Penang LRT. However further details such as the funding mechanism and delivery model have not yet been concluded. We are currently the project delivery partner (PDP) for Bayan Lepas LRT and fully expect this injection of Federal funding will enable this project to commence soon.

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c) Selangor's Sg. Rasau Water Supply Scheme (Stage 1) Package 1: Design and Build of Proposed Rasau Intake, Raw Water Pumping Mains, Water Treatment Plant and Associated Works

On 1 July 2022, Gamuda Berhad was awarded the abovementioned project valued at RM1.968 billion to improve the water supply reserve margin in Selangor. The project has commenced on 15 July 2022 and is expected to be completed by 30 June 2025. Physical works have commenced and the cumulative progress as at July 2023 was on schedule at 10.8 percent.

d) Sarawak

(i) Pan Borneo Highway – WPC04 (Pantu Junction to Batang Skrang)

Naim Gamuda (NAGA) JV Sdn Bhd is the contractor for the Pan Borneo Sarawak package WPC04. The scope includes the widening and upgrading of the existing 89.30 km long, 2-lane single carriageway road from Pantu Junction to Batang Skrang to a 4-lane dual carriageway of JKR R5 standard. Extension of time (EOT) No. 7 due to awarded VO works of the overhead pedestrian bridge has been granted by JKR on 15 August 2023. The new target completion date will be on 29 April 2024 with further extension of 214 days. Overall, cumulative progress at the end of July 2023 was 97 percent.

(ii) Batang Lupar Bridge at Sri Aman Town

Naim Gamuda (NAGA) JV Sdn Bhd 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. 7 was granted on January 2023 due to force majeure event with an extension of additional 71 days, cumulatively 247 days extended. Further EOT No. 8 on design change on bridge vertical navigation clearance height and EOT No. 9 on exceptionally inclement weather were both granted on 17 May 2023 and the new target completion date is now extended to 3 April 2025.

Overall cumulative progress at the end of July 2023 was 32 percent.

e) Sabah

On 30 October 2023, Gamuda has entered into a Joint Venture Agreement with Sabah Energy Corporation Sdn Bhd and Kerjaya Kagum Hitech JV Sdn Bhd to form a joint venture entity, UPP Holdings Sdn Bhd to undertake a private finance initiative to develop the Upper Padas Hydroelectric Power Plant, a hydroelectric dam to be located in Tenom, Sabah, with planned maximum generating capacity of 187.5MW. Subject to Power Purchase Agreement being signed, the construction work is planned to commence in the first half of 2024 and will take approximately 5 years to complete.

f) Taiwan

(i) Marine Bridge Project

The Group's 70 percent-owned joint venture with a Taiwanese company is constructing a 1.23 km 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 by December 2023.

Offshore bridge abutment and cantilever construction are progressing well according to schedule. The overall cumulative progress as at end July 2023 was 87.2 percent.

(ii) Extension of Marine Bridge – Guantang

Gamuda's 70 percent-owned joint venture with Dong-Pi Construction Co. Ltd, has in April 2022 won the tender worth NTD2,038 million (equivalent to RM301.5 million) from CPC Corporation Taiwan, for work to extend the current marine bridge for another 376 meters. The contract duration is estimated to be 2 years, completion is targeted in January 2024.

The cumulative progress as at July 2023 was ahead of planned progress at 70 percent.

(iii) Seawall – Taipei Port

Gamuda's 70 percent-owned joint venture with a Taiwanese company has in December 2019 won the tender to construct 4,014 meters 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 in August 2025.

Caisson construction is in progress. Overall cumulative progress as at end July 2023 was on track at 62 percent.

(iv) 161kV Songshu to Guangfeng Underground Transmission Line

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, a state-owned electric power industry enterprise in Taiwan. Completion is targeted in August 2025.

Soil investigation has been substantially completed at the site, with launch shaft construction commencing. The cumulative progress as at end of July 2023 was 12.2 percent.

(v) Taoyuan City Underground Railway Project, Package CJ18 PingZhen Commuter Station

On 25 October 2022, Gamuda Berhad Taiwan Branch and Asia World Engineering & Construction Co. ("AWEC"), a Taiwan Company were awarded the abovementioned project valued at RM2.13 billion (TWD 14,500 billion). The project, which has a duration of 96 months, undertaken by an unincorporated 60:40 joint venture comprising Gamuda and AWEC respectively. The project includes the construction of a 3.734 km underground twin bound railway track with an underground commuter station at PingZhen which is located beneath the existing train station. The project commenced on November 2022 and is to be completed by November 2030.

As of July 2023, site clearing and site mobilisation work has started progressively, with the overall programme on schedule with cumulative progress as at end of July 2023 of 1 percent.

(vi) Kaohsiung MRT Metropolitan (Yellow Line) Civil Engineering Package YC01 Project in Taiwan

On 25 October 2023, the project with a contract value of RM3.45 billion was awarded to Gamuda and AWEC in an unincorporated joint venture arrangement, with Gamuda holding the majority share at 88 percent and AWEC at 12 percent. The project is a 4.4 km railway track located within NiaoSong District, comprising 3.5 km underground twin bored tunnels (with 3 underground stations) and 0.9km of elevated tracks (with 1 elevated station). The Project is part of a substantial infrastructure initiative currently underway in Kaohsiung, Taiwan, with the primary goal of expanding and improving the Kaohsiung city's public transportation system within the NiaoSong District. Its overarching aim is to create an efficient and modern mass rapid transit system to meet the evergrowing demands of Kaohsiung's urban populace.

g) Australia

(i) Sydney Metro West – Western Tunnelling Package

Transport for New South Wales awarded the AUD2.16 billion (RM6.5 billion) design and construct contract for the tunnelling and civil works comprised in the Western Tunnelling Package Project to Gamuda Australia – Laing O'Rourke Consortium on 28 February 2022. Laing O'Rourke Australia Construction Pty Ltd as a delivery partner will provide the project management services for an agreed fee. The scope of project works includes 9 km of twin metro rail tunnel between Westmead and Sydney Olympic Park, excavation and civil works for new metro stations in the Parramatta Central Business District and Westmead Health Precinct, earthworks and civil structures, utilities and connecting tunnels for a maintenance and stabling facility at Eastern Creek and Tunnel Boring Machine operations site at Rosehill.

The first TBM has been launched on 28 August 2023. Road headers and other works such as the diaphragm walls are also progressing well. The overall cumulative progress as at end of July 2023 was 40 percent.

(ii) Coffs Harbour Bypass Project

Gamuda Australia, in a joint venture with Ferrovial Construction (FGJV), was awarded the Coffs Harbour Bypass Project. The New South Wales (NSW) Government has appointed the FGJV to deliver the AUD1.35 billion (RM4.1 billion) highway project, which is the largest infrastructure project in Coffs Harbour's history. Coffs Harbour is located on the NSW North Coast, approximately 550 kilometres north of Sydney. In this 50:50 joint venture with Ferrovial Construction, Gamuda Australia will design and construct a 14 km new and upgraded four-lane highway. The project will boost the regional economy and improve connectivity, road transport efficiency and safety for local and interstate motorists.

Overall programme is on track with overall design at 58 percent completion. Physical construction is progressing well with bulk earthworks along Bypass main alignment and tunnel port excavation. The overall cumulative progress as at end of July 2023 was 20 percent.

(iii) M1 Motorway Extension to Raymond Terrace: Black Hill to Tomago Package

Gamuda Australia was awarded a major road transport project worth AUD1.029 billion (RM3.03 billion) by the NSW Government to deliver the Black Hill to Tomago Package of works for the M1 Motorway Extension to Raymond Terrace.

The design and construct contract will be delivered through a 60 (John Holland)/40 (Gamuda) joint venture. The design and construct contract is expected to generate RM1.21 billion revenue for the Group.

The project is one of the largest infrastructure projects in the Hunter region's history. It's a game changer for local, regional and long-distance transport, unlocking congested Hunter roads and helping complete a traffic-light-free highway between Sydney and Brisbane. When completed in mid-2028, the M1 Motorway extension will bypass the congestion and merge points along this corridor and reduce traffic volumes across the existing network.

Project delivery is on schedule, with design works at approximately 65 percent completion and site investigations 80 percent complete. Utilities relocations and main earthworks is due to commence in October 2023 with bridge piling due for commencement in January 2024.

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(iv) Downer Transport Infrastructure

On 22 February 2023, DT Infrastructure Pty Ltd, a wholly owned foreign sub-subsidiary in Australia executed an asset sale agreement to acquire the Australian transport projects business of Downer Transport Projects ("DTP") for an enterprise value of AUD212 million (equivalent to RM669 million).

DTP is a distinct business unit under Downer that provides civil construction services in delivering transport projects for its customers, with specialist rail capability. DTP operates across Australia and primarily generates revenue from government clients, with a smaller share coming from private projects. Its customer base, contacts and geographical exposure are mainly in New South Wales, Western Australia and Victoria. Some of the key projects currently carried out by DTP are in relation to rail line upgrades and duplication, rail extension, rail maintenance, service signalling and communication maintenance, and freeway upgrades.

DTP's current projects with a forecast work-in-hand of approximately AUD2 billion, circa AUD30 million of plant and equipment assets, and over 1,000 associated employees across five Australian States, namely New South Wales, Victoria, Queensland, South Australia and Western Australia and one Territory, Northern Territory.

With the DTP Acquisition, Gamuda will be tapping into DTP's in-house capabilities and track record namely track infrastructure, light rail, stations, rail overhead lines, signalling, communications & integration, rail maintenance, specialist plant services and road & bridge construction.

The DTP Acquisition will instantaneously increase Gamuda's customer base, contacts and geographical exposure across Australia, especially in New South Wales, Western Australia, Queensland and Victoria. There will also be a significant and immediate addition of local staff and skillsets, with specialisation in rail works. DT Infrastructure has a deep and experienced management team with significant infrastructure construction expertise and a proven ability to create value in the business.

The consolidated capability and additional construction pipeline from DT Infrastructure across Australia will reinforce Gamuda's position as we expand our market reach in Australia by venturing into wider rail disciplines. Gamuda will be well positioned to participate in a larger pipeline of transport projects focusing on Rail, Light Rail and Rail Systems, with an established network of subcontractors.

The DTP Acquisition was completed on 20 June 2023. The completion of the DTP Acquisition marks a significant milestone for Gamuda and represents our

commitment to strategic growth and expansion in the infrastructure and transport projects sector in Australia. The DTP Acquisition is in line with Gamuda's growth plan of achieving AUD3 billion in revenue annually in Australia within the next two to three years.

h) Singapore

(i) Gali Batu Multi-Storey Bus Depot

The Land Transport Authority of Singapore (LTA) awarded the SGD\$260 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 and was wholly novated to Gamuda Berhad Singapore Branch on 2 December 2021. 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 and piling works have been completed, with the superstructure works currently ongoing at the site. The overall cumulative status as at July 2023 was 48.6 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 have since pursued a full novation of the contract to Gamuda Berhad Singapore Branch with LTA, and have since signed the associated Supplemental Agreement for this novation to us.

(ii) Defu Station and Tunnels, MRT Cross Island Line (Phase 1)

Gamuda's 60 percent-owned joint venture with a Singaporean company, Wai Fong Construction Pte Ltd, has been awarded by the Land Transport Authority of Singapore in February 2022 to design and construct the Defu station and tunnels with a contract price of SGD467 million (equivalent to RM1.45 billion). The project comprises the construction of an underground station and twin bored tunnels with total length of 2.75 km. The contract duration is 95 months.

Design works are in progress. The overall cumulative status as at July 2023 was 5.3 percent. The project is scheduled to be completed in 2030.

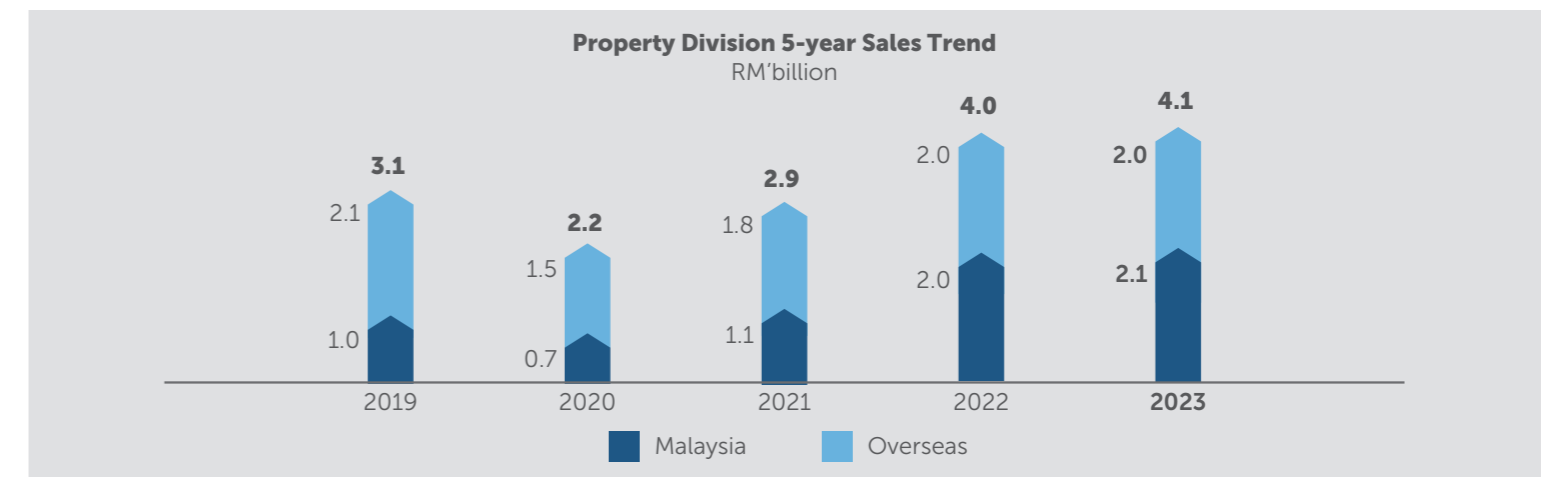
i) Gamuda Water

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

PROPERTY DEVELOPMENT:

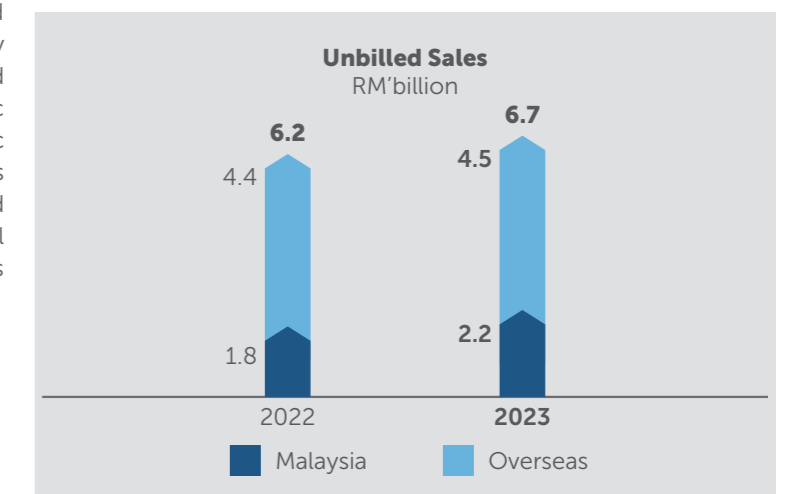
Gamuda Land (GL) once again surpassed multiple records with all-time-high sales, revenue and earnings. Quick Turnaround Projects (QTPs) ramped up sales to contribute 27 percent of group wide property sales from 2 percent last year.

It was another record-breaking year for the property division with all-time-high performances in sales, revenue and earnings. Property sales, driven largely by Vietnam and QTP projects, rose to an all-time-high RM4.1 billion, breaking last year's record of RM4 billion. Property revenue grew to an all-time-high RM2.8 billion compared with last year's RM2.7 billion while property earnings rose to an all-time-high RM315 million from last year's RM310 million. QTP projects ramped up sales to contribute 27 percent of group wide sales from 2 percent last year.



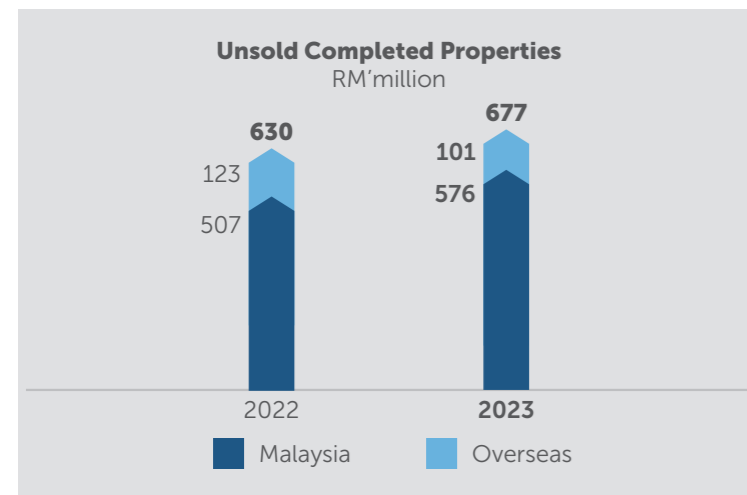
Despite inflationary headwinds and interest rate tightening cycles, property division showed resilience with property sales seeing an uptick from RM4 billion last financial year to RM4.1 billion in FY2023. With the Group's strong footing in Vietnam, our QTPs there continue to be best-sellers, for which the top selling projects include Elysian and Artisan Park collectively account for 68 percent of QTP presales. The take-up rates have been strong in Elysian (84 percent), Artisan Park (70 percent), West Hampstead (70 percent) and the Group expects that both Artisan Park and West Hampstead will likely be fully sold in FY2024 followed by Elysian in FY2025. Whilst overseas sales (including QTPs) totalled RM2.0 billion, current year sales is evenly split between domestic and overseas with RM2.1 billion domestic sales achieved. Domestic townships continue to mature with the Group's three best-sellers domestically continue to be Gamuda Cove, Gamuda Gardens and twentyfive7, which collectively accounted for 72 percent of total local sales. Gardens Park (adjacent to Gamuda Gardens) is expected to make its market debut in FY2024.

As part of its strategic 5-year plan, GL will continue to deepen its footprint in the markets where it has established its presence such as Vietnam, Australia and the United Kingdom as part of its diversification strategy while developing its existing township developments locally and to reduce inventories. With eight QTPs in its current portfolio and a substantial unbilled sales of RM6.7 billion, GL expects to double its revenue in the upcoming financial year.



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Over the course of this financial year, RM172 million worth of completed property units were sold while RM219 million unsold completed units were added to the stockpile, leaving unsold completed properties at RM677 million as at financial year end. Overseas unsold stock is minimal while Malaysia unsold properties are mainly high-rise units. Overall, the unsold unit consist of 18 percent landed and 82 percent high-rise (2022: 14 percent landed and 86 percent high-rise).



RM172 million property stocks were cleared in 2023; Balance unsold completed properties, mostly from local high-rise projects.

Project Updates

a) Overseas

Total overseas sales for FY2023 amount to RM2.0 billion with Vietnam being the largest contributor at 76 percent of total international sales. Sales were driven by Quick Turnaround Projects ("QTP") as part of Gamuda Land's strategic 5-year plan. Elysian in Ho Chi Minh City and Artisan Park in Binh Duong started contributing positively towards FY2023's sale. GL's existing township projects Celadon City in Ho Chi Minh City and Gamuda City in Hanoi are well established and known for their lush greenery, contributed positively to sales amounting RM753 million.

During the year, GL bought a prime 9.1-acre site in Thu Duc City in Ho Chi Minh City (HCMC), Vietnam, for approximately RM1.5 billion (USD\$315.8 million). The acquisition represents a unique market opportunity, as prime development sites in HCMC have hitherto been difficult to come by due to development restrictions set by HCMC authorities for the 2021 – 2030 period. The tightening issuances of planning approvals led to an acute shortage of supply in specific locations. At the same time, authorities have cracked down

on excessive lending to the real estate sector, leading to local developers facing defaults and having to undergo financial restructuring and divest strategic assets.

The site is located in a newly minted secondary city within Greater Ho Chi Minh City (District 2) and is home to major hi-tech industrial parks and contributes over one-third of Ho Chi Minh City's gross regional domestic product (GRDP) annually. Located just 6.5km away from Central Business District (CBD) area (District 1), this prime mixed-use development site has a GDV of RM5.1 billion (USD\$1.1 billion) and has all planning approvals in place, enabling the division to sell in-demand products to a market short on supply – fulfilling the divisions QTP strategy.

In Australia, demand for high-rise residential property continues to be on the uptick due to steep price tags for landed residential properties. Property prices is also forecasted to extend into 2024 as a swelling population from immigration overwhelms the headwinds of higher interest rates and reduced borrowing limits for some prospective buyers. With Australia being on the top migration list for China, at 700,000 projected to migrate Down Under by 2025, this will put pressure on demand amidst the limited supply of homes. Plans to conduct sales events and roadshows for the China market is underway.

Sales for both The Canopy on Normanby and 661 Chapel St. were driven by various targeted events and conversion strategies that was implemented including private sales events in Vietnam, Singapore and Hong Kong. Those present at the private sales event were also introduced to the new boutique development Fareham in St. Kilda, Melbourne. The soft-selling strategy for the divisions third Australian development also involved Gamuda Land's existing purchasers.

With insights from the Australian Financial Review showing that Australians are accepting to live in high-rise developments that are of low-density given the steep price tag for standalone houses, puts Fareham in the lead to capture this market, and has received positive reception and bookings ahead of its official launch by year end.

Despite a modest slowdown in the United Kingdom economy, interest in United Kingdom property that have good connectivity, close proximity to top schools and universities and are sited in safe locations are top considerations for mainland Chinese and Hong Kong buyers. As such, marketing efforts for its West Hampstead Central development have been fruitful in both markets, while its local show unit continues to attract healthy domestic interest. At present, over 70 percent of all units have been sold ahead of the project's completion in the first half of 2024. In line with sales trend in the United Kingdom, the remaining units are

expected to be taken up between three to six months prior to delivery as the show unit is completed and presented on site, further boosting buyers' confidence.

On 27 March 2023, Gamuda in partnership with Castleforge, a leading UK-based real estate private equity investor, signed a Sale and Purchase Agreement to acquire Winchester House London, the current UK headquarters of Deutsche Bank AG in the United Kingdom. This acquisition is part of Gamuda Land's QTP strategy which aims to build a regional portfolio of real estate projects with high IRRs. Following the completion of the acquisition, we're now strategically working on submitting our comprehensive planning proposal by the end of this year, with expectations to secure approval by the following year. This aligns with the current market dynamics in London as the city faces a shortage of top-tier high sustainable office spaces, making Winchester House a highly appealing option for multinational corporations seeking premium, sustainable office spaces.

The operating landscape is expected to be challenging with the effects of climate change, supply chain disruptions and inflating commodity prices, amplified by the ongoing Russia-Ukraine conflict.

The division is cautiously optimistic of its prospects but is well-placed ahead of its innovative products and solutions, as well as strategic plays in the various regional markets. It will continue to balance its company portfolio in the areas of commercial and industrial projects in anticipation for sustainable office buildings in the United Kingdom market and commercial developments in Vietnam due to its positive economic prospects and foreign direct investments.

The focus for Australia will continue to be building on a strong pipeline of residential developments. On the local front, Gardens Park, the 532 acre land acquired this January 2023 next to Gamuda Gardens is scheduled for launching in 2024. Its launch along with its satellite townships Gamuda Cove, Gamuda Gardens and twentyfive7 will continue to take shape and will be the main contributors of sales for Malaysia.

Efforts to shore up its landbank for future developments will continue, even as it explores new market opportunities, business models and revenue streams for sustainable growth in the 'green space'.

b) Malaysia

On-going projects include:

- Gamuda Cove in Southern Klang Valley
- Gamuda Gardens and Kundang Estates in Sungai Buloh
- twentyfive7 in Kota Kemuning
- Jade Hills in Kajang
- Horizon Hills in Iskandar Puteri

Gamuda Cove welcomed its first residents with the handing of keys for Palma Sands. The vibrancy of Gamuda Cove's placemaking components was further boosted with the grand opening of SplashMania Waterpark in July 2023. The waterpark is on track to achieve its annual target of 800,000 visitors.

Complementing tourism offerings in Gamuda Cove such as SplashMania Waterpark and Paya Indah Discovery Wetlands is the opening of a 90 acre Wetlands Arboretum, a natural sanctuary for biodiversity conservation, nature research and forest fitness. It comprises a Wetlands Arboretum Centre offering Jungle School Programs, practical nature-based experiential workshops guided by experienced rangers and organic urban farming. The arboretum, along with eco-tourism activities at Paya Indah Discovery Wetlands will attract tourism footfall to the Southern Klang Valley Corridor, particularly through Gamuda Cove.

Discovery Park, the recreational zone at Gamuda Cove, will also introduce more attractions such as paint ball, go-kart and ATV in the coming quarter and anticipates to generate more footfall, adding vibrancy to the overall township. These developments along with Starbucks that is operational, and the scheduled completion of the toll-free interchange to Cyberjaya in early 2024 will augur well towards Gamuda Cove's appeal to home buyers and investors and fits well with its nature sanctuary and smart city vision.

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Gamuda Gardens showed a quarterly sales increase of 38 percent versus Q3 FY2023 with Valeria contributing to majority of the sales. Valeria's focus on biophilic home design continues to appeal to buyers who are looking for homes with spatial qualities that is one with nature. The completion of Monarc's show units facilitated the sale of its bungalows and semi-detached homes. The bungalows are fully sold while the semi-detached homes are 60 percent sold.

With the vacant possessions of its Jovita and Joya, the township now houses approximately 4,000 residents. With more residents moving in, the commercial attractiveness of Gamuda Gardens is well maturing, with the opening of Yilo Restaurant and Bar, Nine Oasis Café and Blue Dot pre-school at the Waterfront Village, increasing its occupancy rate to 100 percent. The fully sold GAIA Boulevard also welcomed four (4) food and beverage operators, a pre-school, a hardware store, clinics, convenience stores and a pharmacy with more tenants slated to be in operations in the coming months. Luge Gardens, the retail and entertainment precinct of Gamuda Gardens is slated for opening by end 2023. The precinct will comprise New Zealand's Skyline Luge, a fun park comprising family-friendly rides such as carousel, ferris wheel, an enhanced Big Bucket Splash water park, retail lots and future serviced apartments. This would drive vibrancy and footfall into Gamuda Gardens and boost investors' confidence.

The masterplan of twentyfive7 is taking shape nicely with Quayside Mall being the anchor for the community's convenience – bringing in a healthy weekly footfall of close to 100,000 shoppers. Sales for the newly launched Levene Residences is healthy, having achieved over 100 percent take-up rate for its non-Bumi lots within a month of its launch. Having identified a lack of educational and medical facilities within the larger Kota Kemuning vicinity, twentyfive7 has drawn up plans to develop a mix-development parcel, Quay District to address this need. Quay District will comprise multi-level education centres and schools, wellness specialist centres,

confinement centres, palliative and rehabilitation services as well as other wellness services centres such as paediatric clinic, physiotherapy centres amongst others for a multi-generation community from the stages of a newborn-baby to the golden years of an adult. This will uplift the overall offerings for the larger Kota Kemuning residents and will enhance twentyfive7's attractiveness as a self-sustained township.

For Horizon Hills, the attractiveness of this mature and established township continues to thrive since the re-opening of the Singapore-Johor causeway. Backed by its mindful township planning, the availability of the Invictus International School and a world-class golf course, it continues to attract locals and expatriates. Sales for the super link homes, Morrinsville and bungalow homes, Mansion18 both achieved a 70 percent and 80 percent take-up rate respectively, and is forecasted to be fully sold by year end.

The anticipation of the upcoming commercial development, Horizon Square achieved a 100 percent reservation rate for its non-bumi lots ahead of its official launch later this year. Located next to Horizon Mall, both developments will be synergistic in enhancing door-step conveniences for the community.

The mature township of Jade Hills continues its appeal as a well-recognised and reputable community neighbourhood with its residential development, Cloville and commercial plot, Jade Square registering full uptake.

Gamuda Next-Gen Digital IBS

Gamuda Next-Gen Digital IBS has ramped up its production volume to cater for increased order book. With increasing focus on sustainable development, Gamuda Next-Gen Digital IBS, by leveraging on digital construction ecosystem and AI-IoT-enabled robotic manufacturing, is also focusing on in-house property project to accelerate the pace of monetisation of Malaysia landbank.

HIGHWAY CONCESSIONS:

Divestment of four expressways completed in mid-October 2022 with a special dividend of RM1 billion paid.

The Group completed the divestment of its four expressways to Amanat Lebuhraya Rakyat Berhad (ALR) on 13 October 2022 and recognised a RM1 billion exceptional gain, which was distributed to shareholders as a special dividend in this financial year.

CONSOLIDATED CASH FLOW ANALYSIS

RM'million	2023	2022*
Net cash generated from operating activities	405	470
Net cash (used in)/generated from investing activities	(755)	183
Net cash generated from/(used in) financing activities	771	(320)
Effects of exchange rate changes	(21)	51
Net increase in cash and cash equivalents	400	384
Cash and bank balances and investment securities	4,177	3,777

**Inclusive of discontinuing subsidiary operations.*

The Group has consistently generated healthy cashflow of more than RM400 million from its operating activities annually. Large outlay of cash for investing activities was mainly due to the acquisition of land in Vietnam for property development as part of GL's QTP strategy and acquisition of DT Infrastructure Australia. The group has a solid cash pile of more than RM4 billion at year end.

CAPITAL MANAGEMENT

RM'million	2023	2022*
Total borrowings	6,924	4,975
Total cash and bank balances, and investment securities	(4,177)	(3,777)
Net borrowings	2,747	1,198
Owner's equity and non-controlling interests	10,927	10,254
Gearing (net)	25%	12%

**Inclusive of discontinuing subsidiary operations.*

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'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 aims to maintain a self-imposed gearing limit of not more than 70 percent. At our current asset base, we have a gearing headroom to raise another RM5 billion to fund our growth plans.

GROUP CHIEF FINANCIAL OFFICER'S STATEMENT

GROUP'S BORROWINGS PROFILE

Borrowing due for repayment in (RM'million)	<1 year	1-2 years	>2 years	Total
FY2023	1,410	270	5,244	6,924
FY2022	1,639	432	2,904	4,975

76 percent of the Group's borrowings are longer than 2-years maturity. The Group manage the borrowings using a mix of fixed and floating rate borrowings. At the reporting date, approximately 42 percent (2022: 30 percent) of the Group's borrowings are subject to floating interest rates.

CONSOLIDATED FINANCIAL POSITION ANALYSIS

RM'million	2023	2022*	Var
Non-current assets	8,561	6,919	24%
Current assets	15,223	13,344	14%
Total assets	23,784	20,263	17%
Non-current liabilities	6,045	3,659	65%
Current liabilities	6,812	6,349	7%
Total liabilities	12,857	10,008	28%
Owner's equity	10,791	9,905	9%
Liquidity ratio			
Current ratio (times)	2.2	2.1	0.1
Quick ratio (times)	2.1	2.0	0.1
Net assets per share attributable to equity holders (RM)	4.05	3.88	0.17

*2022 comparative financial figures for current assets and current liabilities are inclusive of assets held for sale.

Total assets

The Group's total assets increased by 17 percent year-on-year mainly contributed by higher amount of assets including land held for property development with the Group expanding regionally as well as higher property development costs and accrued billings on the back of higher property sales and work progress during the year.

Total liabilities

Total liabilities of the Group increased by 28 percent year-on-year primarily due to higher borrowings to fund the land acquisitions and purchase of DT Infrastructure Australia.

Owner's equity

Owner's equity increased by 9 percent to RM10,791 million, mainly due to the earnings during the year.

Quick ratio

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

Capital expenditure requirements

There is no major capital expenditure requirement for the upcoming year, other than landbanking for the development of Gardens Park and acquisitions of plant and machinery for new projects secured during the year.

DIVIDEND PAYOUT

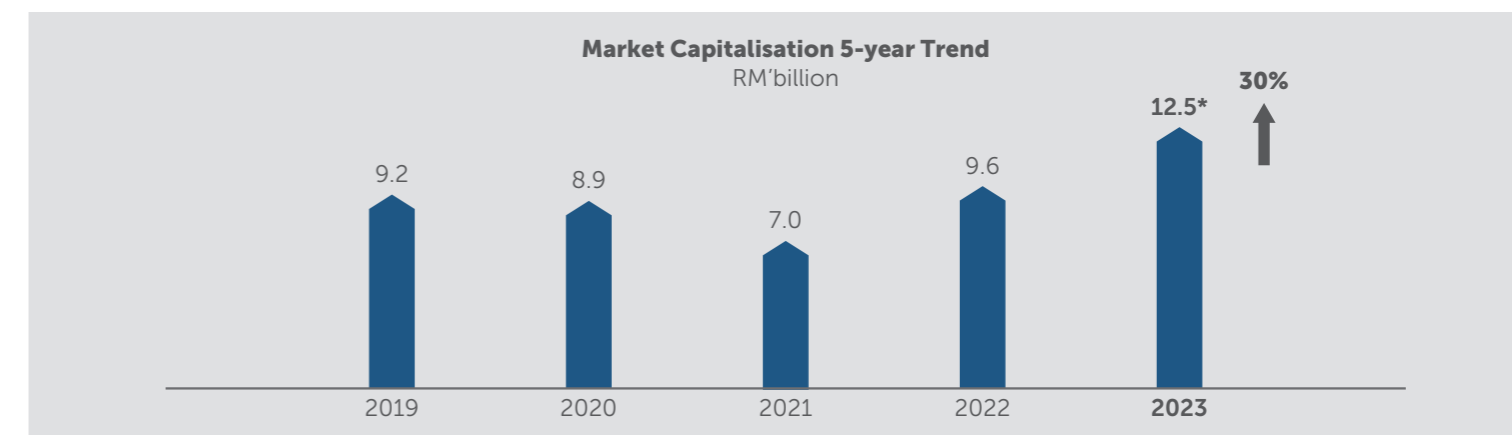
	2023	2022
Normal dividend per share (sen)	12 sen	12 sen
Special dividend payout (sen)	38 sen	-
Total	50 sen	12 sen
Normal dividend payout ratio (%)	35%	38%
Special dividend payout ratio (%)	100%	-

During the year, on top of the normal 12 sen per share annual dividend payout, the Group distributed 38 sen per share of special dividend. The special dividend worth RM1 billion represents the total payout from the exceptional gain arising from the divestment of highways.

RETURN ON OWNER'S EQUITY

Total return on owner's equity grew to 17 percent from 8 percent last year. Excluding the exceptional gain arising from the divestment of highway, core return on owner's equity is 8 percent (FY2022: 8 percent).

MARKET CAPITALISATION



* As at end October 2023.

Our regionalisation strategy has delivered remarkable results with all-time-high performances in our topline and bottomline; culminating in a 30 percent hike in Gamuda's market capitalisation.

LOOK AHEAD

The Group anticipates that next year's performance will be driven by overseas construction activities as projects in Australia and Taiwan continue to pick up pace, full year contribution of the newly acquired Australian transport projects business of Downer Transports Projects (acquisition completed on 20 June 2023) and property sales including higher contribution from newly launched quick-turnaround projects (QTP) of the property division.

Moving forward, the resilience of the Group is underpinned by a large construction orderbook of RM25 billion and unbilled property sales of RM6.7 billion. On top of that, the Group has a healthy balance sheet with a comfortable net gearing of 25 percent, well below our self-imposed gearing limit of 70 percent.