

GAMUDA BERHAD 197601003632 (29579-T)
Condensed Consolidated Income Statement
for the period ended 31 October 2022

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD			
	Current Year Quarter	Comparative Quarter		Current Year To Date	Preceding Year Corresponding Period	
	31-Oct-22	31-Oct-21		31-Oct-22	31-Oct-21	
	RM'000	RM'000		RM'000	RM'000	
CONTINUING OPERATIONS						
Revenue (Note 2)	1,306,620	687,930	90%	1,306,620	687,930	90%
Operating expenses	(1,205,806)	(649,985)	86%	(1,205,806)	(649,985)	86%
Other income	47,097	37,178	27%	47,097	37,178	27%
Profit from continuing operations	147,911	75,123	97%	147,911	75,123	97%
Finance costs	(27,482)	(6,735)	308%	(27,482)	(6,735)	308%
Share of profit of associated companies	1,618	2,331	-31%	1,618	2,331	-31%
Share of profit of joint ventures	62,661	71,936	-13%	62,661	71,936	-13%
Profit before taxation from continuing operations	184,708	142,655	29%	184,708	142,655	29%
Income tax expenses	(27,994)	(21,310)	31%	(27,994)	(21,310)	31%
Profit for the period from continuing operations	156,714	121,345	29%	156,714	121,345	29%
DISCONTINUED OPERATIONS						
Profit from discontinued operations, net of tax	57,214	42,892	33%	57,214	42,892	33%
One-off gain arising from disposal of highway [^]	1,111,124	-	100%	1,111,124	-	100%
Profit for the period	1,325,052	164,237	707%	1,325,052	164,237	707%
[^] Includes NCI share of gain arising from disposal of highway						
Attributable to owners of the Company (Note 1)						
- Continuing operations	144,992	115,149	26%	144,992	115,149	26%
- Discontinued operations	1,023,676	37,220	2650%	1,023,676	37,220	2650%
	1,168,668	152,369	667%	1,168,668	152,369	667%
Non-controlling interests (NCI)						
- Continuing operations	11,722	6,196	89%	11,722	6,196	89%
- Discontinued operations	144,662	5,672	2450%	144,662	5,672	2450%
	156,384	11,868	1218%	156,384	11,868	1218%
Total	1,325,052	164,237	707%	1,325,052	164,237	707%
Attributable to owners of the Company						
Basic earnings per share (sen)						
- Continuing operations	5.62	4.58	73%	5.62	4.58	57%
- Discontinued operations	39.70	1.48	-43%	39.70	1.48	-33%
	45.32	6.06	18%	45.32	6.06	
Fully diluted earnings per share (sen)						
- Continuing operations	5.51	4.58	71%	5.51	4.58	56%
- Discontinued operations	38.94	1.48	-44%	38.94	1.48	-33%
	44.45	6.06	18%	44.45	6.06	36%

Note 1 : Profit attributable to owners of the Company can be analysed as follows:

	Individual Quarter		Cumulative Period			
	31-Oct-22	31-Oct-21		31-Oct-22	31-Oct-21	
	RM'000	RM'000		RM'000	RM'000	
Profit attributable to owners of the Company						
- Core Net profit	190,380	152,369	25%	190,380	152,369	25%
- One-off net gain from disposal of highway	978,288	-	100%	978,288	-	100%
	1,168,668	152,369	667%	1,168,668	152,369	667%

Note 2: Group revenue (including share of joint venture companies' revenue)

	Individual Quarter		Cumulative Period			
	31-Oct-22	31-Oct-21		31-Oct-22	31-Oct-21	
	RM'000	RM'000		RM'000	RM'000	
Revenue as reported above						
- Continuing operations	1,306,620	687,930	90%	1,306,620	687,930	90%
- Discontinued operations	47,693	59,184	-19%	47,693	59,184	-19%
Share of joint venture companies' revenue *	142,069	505,379	-72%	142,069	505,379	-72%
Total revenue	1,496,382	1,252,493	19%	1,496,382	1,252,493	19%

* Pursuant to the Malaysian Financial Reporting Standard (MFRS) 11, Joint Arrangements, the revenue of joint venture companies (eg. KVMRT- Elevated & Systems works and Horizon Hills) are excluded from Gamuda Group's Consolidated Income Statement. Instead Gamuda only recognises its share of profits of the joint venture companies.

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Comprehensive Income
for the period ended 31 October 2022**

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	Current Year Quarter 31-Oct-22 RM'000	Comparative Quarter 31-Oct-21 RM'000		Current Year To Date 31-Oct-22 RM'000	Preceding Year Corresponding Period 31-Oct-21 RM'000	
Profit for the period	1,325,052	164,237	707%	1,325,052	164,237	707%
Other comprehensive (loss)/income:						
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:						
Foreign currency translation	(23,910)	(37,456)	36%	(23,910)	(37,456)	36%
Share of associated companies' foreign currency translation	1,558	375	-315%	1,558	375	-315%
Fair value gain on investment	632	-	100%	632	-	100%
	(21,720)	(37,081)	41%	(21,720)	(37,081)	41%
Total comprehensive income for the period	1,303,332	127,156	925%	1,303,332	127,156	925%
Total comprehensive income attributable to:						
Owners of the Company	1,146,789	116,075	888%	1,146,789	116,075	888%
Non-controlling interests	156,543	11,081	1313%	156,543	11,081	1313%
	1,303,332	127,156	925%	1,303,332	127,156	925%

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD 197601003632 (29579-T)
Condensed Consolidated Statement Of Financial Position
As at 31 October 2022

	As at 31-Oct-22 RM'000	As at 31-Jul-22 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,133,951	1,095,482
Land held for property development	3,795,833	3,507,908
Investment properties	687,429	691,494
Right-of-use assets	79,896	79,319
Concession development expenditure	139,428	137,124
Interests in associated companies	80,782	77,606
Interests in joint arrangements	942,017	933,063
Other investments	141,365	7,802
Deferred tax assets	74,127	64,246
Receivables and other financial assets	381,898	324,653
	<u>7,456,726</u>	<u>6,918,697</u>
Current assets		
Property development costs	1,526,941	2,011,858
Inventories	668,503	655,437
Receivables and other financial assets	1,943,514	2,437,077
Contract assets	2,710,441	2,695,647
Tax recoverable	20,239	20,381
Investment securities	1,386,242	700,782
Cash and bank balances	3,356,355	2,794,348
	<u>11,612,235</u>	<u>11,315,530</u>
Assets classified as held for sale and distribution	1,303,881	2,028,499
	<u>12,916,116</u>	<u>13,344,029</u>
TOTAL ASSETS	<u>20,372,842</u>	<u>20,262,726</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital (Note 3)	3,842,754	3,723,167
Reserves	7,341,948	6,181,801
Owners' equity	<u>11,184,702</u>	<u>9,904,968</u>
Non-controlling interests	148,949	349,444
TOTAL EQUITY	<u>11,333,651</u>	<u>10,254,412</u>
Non-current liabilities		
Payables	203,492	202,840
Contract liabilities	21,260	21,486
Provision for liabilities	107,364	99,262
Deferred tax liabilities	122,069	104,311
Long term Islamic debts	1,950,000	1,950,000
Long term conventional debts	1,261,230	1,280,727
	<u>3,665,415</u>	<u>3,658,626</u>
Current liabilities		
Short term Islamic debts	1,258,902	1,008,902
Short term conventional debts	538,928	540,435
Payables	1,747,626	2,666,581
Contract liabilities	1,581,955	1,429,921
Provision for liabilities	165,364	160,434
Tax payable	72,352	84,361
	<u>5,365,127</u>	<u>5,890,634</u>
Liabilities classified as held for sale and distribution	8,649	459,054
TOTAL LIABILITIES	<u>9,039,191</u>	<u>10,008,314</u>
TOTAL EQUITY AND LIABILITIES	<u>20,372,842</u>	<u>20,262,726</u>
Net assets per share attributable to Owners of the Company (RM)	4.32	3.88

Note 3 : Share capital includes share premium pursuant to the new Companies Act 2016 - the number of ordinary shares issued as at 31 October 2022 is 2,591,069,332 (31 July 2022: 2,553,930,909).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD 197601003632 (29579-T)
Condensed Consolidated Statement of Changes in Equity
for the period ended 31 October 2022

	----- Attributable to owners of the Company -----						
	----- Non-Distributable -----			----- Distributable -----			
	Share capital	Option reserves	Other reserves	Retained profits	Total	Non- Controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
FY2023							
<u>3 months ended 31 October 2022</u>							
At 1 August 2022	3,723,167	16,832	337,009	5,827,960	9,904,968	349,444	10,254,412
Total comprehensive income	-	-	(22,510)	1,169,299	1,146,789	156,543	1,303,332
<u>Transactions with owners:</u>							
Share options granted under ESOS	-	13,359	-	-	13,359	-	13,359
Proceed on disposal of highway paid by a subsidiary to non-controlling interests	-	-	-	-	-	(357,038)	(357,038)
Second interim dividends paid to shareholders							
- Issuance of new shares pursuant to the dividend reinvestment plan for FY2022	119,586	-	-	-	119,586	-	119,586
At 31 October 2022	3,842,753	30,191	314,499	6,997,259	11,184,702	148,949	11,333,651
FY2022							
<u>3 months ended 31 October 2021</u>							
At 1 August 2021	3,620,949	-	222,622	5,319,986	9,163,557	352,145	9,515,702
Total comprehensive income	-	-	(36,294)	152,369	116,075	11,081	127,156
<u>Transactions with owners:</u>							
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	7,337	7,337
Dividends paid by a subsidiary to non-controlling interests	-	-	-	-	-	(21,000)	(21,000)
At 31 October 2021	3,620,949	-	186,328	5,472,355	9,279,632	349,563	9,629,195

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD 197601003632 (29579-T)
Condensed Consolidated Statement Of Cash Flows
for the period ended 31 October 2022

	Current Year to Date	Preceding Year Corresponding Period
	31-Oct-22	31-Oct-21
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax from continuing operations	184,708	142,655
Profit before tax from discontinued operations	1,171,094	48,858
	1,355,802	191,513
Adjustments for non-cash items/non-operating items	(1,159,816)	(58,229)
Operating profit before working capital changes	195,986	133,284
<u>Changes in working capital</u>		
Net changes in assets	700,354	(153,692)
Net changes in liabilities	(303,103)	(68,056)
Net operating cash flows attributable to discontinued operations	(444,568)	(6,014)
Net cash used in operations	148,669	(94,478)
Income taxes paid	(40,848)	(30,368)
Interest and other payments	(66,960)	(33,748)
Net cash generated from/(used in) operating activities	40,861	(158,594)
Cash Flows From Investing Activities		
Additions to:		
- Property, plant and equipment	(56,980)	(8,416)
- Land held for property development	(69,778)	(30,938)
- Investment properties	-	(1,087)
- Water development expenditures	(11,515)	-
Proceeds from disposal of:		
- Plant and equipment	1,104	4,100
Proceed from disposal of highway	1,449,026	-
Redemption of interest in joint ventures	60,575	-
Net purchase of investment securities	(686,161)	(671,033)
Movement in deposits with tenure more than 3 months	158,171	141,709
Dividend received from:		
- Associated companies	-	23,006
- Joint ventures	-	188,000
Distribution received from Islamic investment securities:		
- Islamic	3,185	2,204
- Non Islamic	704	2,688
Profit rate received from Islamic fixed deposits	4,385	3,035
Interest income received from non-Islamic fixed deposits	23,401	18,616
Net investing cash flows attributable to discontinued operations	(100,748)	(12)
Net cash generated from/(used in) investing activities	775,369	(328,128)
Cash Flows From Financing Activities		
Net drawdown of borrowings	228,996	481,981
Repayment of lease liabilities	(1,261)	(1,748)
Dividends paid to shareholders	(33,650)	-
Capital injection in a subsidiary by non-controlling interests	-	7,337
Dividend paid by subsidiaries to non-controlling interests	-	(21,000)
Proceed on disposal of highway paid to non-controlling interests	(357,038)	-
Net financing cash flows attributable to discontinued operations	(195,000)	(90,000)
Net cash (used in)/generated from financing activities	(357,953)	376,570
Net increase/(decrease) in cash and cash equivalents	458,277	(110,152)
Effects of exchange rate changes	(15,684)	(16,390)
Cash and cash equivalents at beginning of the financial period	1,908,437	1,310,297
Cash and cash equivalents at end of period	2,351,030	1,183,755
Cash and cash equivalents at end of period comprise of the following:		
Continuing operations	2,350,734	1,156,941
Discontinued operations	296	26,814
	2,351,030	1,183,755

Cash and cash equivalents at end of period comprise of the following:		
Deposits, cash and bank balances	3,356,355	2,206,982
Investment securities	1,386,242	1,547,813
Assets classified as held for sale	5,008	185,981
Deposits, cash and bank balances, and investment securities	4,747,605	3,940,776
Less: Investment securities	(1,390,954)	(1,552,369)
Less: Deposits with licensed banks with tenure of more than 3 months	(1,005,621)	(1,204,652)
Total cash and cash equivalents	2,351,030	1,183,755

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2022 and the accompanying explanatory notes attached to the interim financial statements.

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

1. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Inter-segment Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months period ended 31 October 2022					
REVENUE					
Revenue as reported	643,585	617,681	93,047	-	1,354,313
Share of joint venture companies' revenue	115,599	26,470	-	-	142,069
	759,184	644,151	93,047	-	1,496,382
Inter-segment sales	32,982	-	-	(32,982)	-
Total revenue	792,166	644,151	93,047	(32,982)	1,496,382
RESULTS					
Profit from operations	45,615	85,937	57,529	-	189,081
Finance costs	(3,209)	(17,473)	(9,865)	-	(30,547)
Share of profits of associated companies	759	-	22,724	-	23,483
Share of profits of joint ventures	57,889	4,772	-	-	62,661
Gain arising from disposal of highway ^	-	-	1,111,124	-	1,111,124
Profit before taxation	101,054	73,236	1,181,512	-	1,355,802
<i>Percentage of segment results by PBT</i>	8%	5%	87%		100%
Taxation	(8,662)	(14,926)	(7,162)	-	(30,750)
Profit for the period	92,392	58,310	1,174,350	-	1,325,052
Non-controlling interests	(9,113)	94	(147,365)	-	(156,384)
Profit attributable to Owners of the Company	83,279	58,404	1,026,985	-	1,168,668
Analysed as:					
Profit attributable to Owners of the Company					
- Continuing operations	83,279	58,404	3,309	-	144,992
- Discontinued operations	-	-	45,388	-	45,388
Core profit attributable to Owners of the Company	83,279	58,404	48,697	-	190,380
Gain arising from disposal of highway #	-	-	978,288	-	978,288
	83,279	58,404	1,026,985	-	1,168,668

^ Includes NCI share of the gain on highway sale

Excludes NCI share of the gain on highway sale

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

1. Segmental Analysis (cont'd)

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Inter-segment Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months period ended 31 October 2021					
REVENUE					
Revenue as reported	377,773	264,945	104,396	-	747,114
Share of joint venture companies' revenue	477,434	26,137	1,808	-	505,379
	855,207	291,082	106,204	-	1,252,493
Inter-segment sales	28,155	-	-	(28,155)	-
Total revenue	883,362	291,082	106,204	(28,155)	1,252,493
RESULTS					
Profit from operations	25,489	30,562	47,073	-	103,124
Finance costs	(741)	(2,351)	(6,772)	-	(9,864)
Share of profits of associated companies	1,089	-	27,486	-	28,575
Share of profits/(loss) of joint ventures	72,075	(139)	(2,258)	-	69,678
Profit before taxation	97,912	28,072	65,529	-	191,513
<i>Percentage of segment results by PBT</i>	51%	15%	34%		100%
Taxation	(12,892)	(3,892)	(10,492)	-	(27,276)
Profit for the period	85,020	24,180	55,037	-	164,237
Non-controlling interests	(3,609)	-	(8,259)	-	(11,868)
Profit attributable to Owners of the Company	81,411	24,180	46,778	-	152,369
Analysed as:					
Profit attributable to Owners of the Company					
- Continuing operations	81,411	24,180	9,558	-	115,149
- Discontinued operations	-	-	37,220	-	37,220
	81,411	24,180	46,778	-	152,369

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

2. Review of Performance

	Current Year Quarter	Comparative Quarter		Current Year To Date	Preceding Year Corresponding	
	31-Oct-22	31-Oct-21	Var	31-Oct-22	31-Oct-21	Var
	RM'000	RM'000	%	RM'000	RM'000	%
BY SEGMENT						
Revenue *						
Construction	759,184	855,207	-11%	759,184	855,207	-11%
Property	644,151	291,082	121%	644,151	291,082	121%
Concession	93,047	106,204	-12%	93,047	106,204	-12%
	1,496,382	1,252,493	19%	1,496,382	1,252,493	19%
Net Profit						
Construction	83,279	81,411	2%	83,279	81,411	2%
Property	58,404	24,180	142%	58,404	24,180	142%
Concession	48,697	46,778	4%	48,697	46,778	4%
Core net profit	190,380	152,369	25%	190,380	152,369	25%
Add: One-off gain on highway sale	978,288	-	100%	978,288	-	100%
	1,168,668	152,369	667%	1,168,668	152,369	667%
BY GEOGRAPHY						
Revenue *						
Malaysia	870,868	1,099,124	-21%	870,868	1,099,124	-21%
Overseas	625,514	153,369	308%	625,514	153,369	308%
	1,496,382	1,252,493	19%	1,496,382	1,252,493	19%
Core Net profit						
Malaysia	141,917	132,548	7%	141,917	132,548	7%
Overseas	48,463	19,821	145%	48,463	19,821	145%
	190,380	152,369	25%	190,380	152,369	25%

* Including the Group's share of joint ventures' revenue.

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

2. Review of Performance (cont'd)

CURRENT QUARTER (Aug 2022 - Oct 2022)

Our Group posted an all-time high quarterly earnings of RM1.2 billion, boosted by a one-off cash gain of RM1 billion on divestment of our four highways. Excluding this one-off gain, our core earnings rose 25% on the back of stronger earnings from all divisions. Overseas earnings grew 2.5 times to contribute 25% of total earnings compared to 12% previously as we advance on our regionalisation strategy.

Our Group posted an all-time high quarterly earnings of RM1.2 billion as we recorded a one-off cash gain of RM1 billion on divestment of our four highways. The sale was successfully completed in October 2022. Excluding this one-off gain, our core earnings rose 25% to RM190 million compared with last year's quarterly earnings of RM152 million on the back of stronger earnings from all divisions. Overseas earnings grew 2.5 times to contribute 25% of total earnings compared to 12% previously as we advance on our regionalisation strategy.

Our Group posted quarterly revenue of RM1.5 billion, a 19% jump from last year's comparative quarter revenue of RM1.3 billion as overseas revenue quadrupled.

3. Comparison with immediate Preceding Quarter's Results

Excluding the one-off cash gain on divestment of our four highways, our Group posted a quarterly (Q1FY23) core earnings of RM190 million, a decrease of 25% compared with the immediate preceding quarter's (Q4FY22) earnings of RM255 million due to last year's lumpy property earnings from Vietnam.

4. This Year's Prospects

(a) Overall Prospects

The Malaysian economy continues to recover as the country moves towards Covid-19 endemicity with the reopening of international borders, steady recovery in labour market and ongoing policy support as evidenced by the 14.2% GDP growth in the third quarter of 2022. Public spending and stimulus for infrastructure development constrained by rising government fiscal burden may see some momentum with the Government's revival of public-private partnerships (PPP 3.0).

It is anticipated that this year's performance will be driven by property sales, pick up in work progress of Sydney Metro West – Western Tunnelling Package & Coffs Harbour Bypass projects in Australia and works to complete the MRT Putrajaya Line (formerly called MRT Line 2) following the sale of four highways to ALR in October 2022.

Moving forward, the resilience of the Group is underpinned by its large construction orderbook of nearly RM15 billion and unbilled property sales of nearly RM6 billion. On top of that, the Group has a healthy balance sheet with a net cash surplus position following the completion of the highway sale.

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

4. This Year's Prospects (cont'd)

(b) Corporate Sustainability

- Pillar 1 - Sustainable Planning and Design for Construction: to facilitate sustainable master planning featuring climate-responsive design, integrated transport and super-low-energy buildings with smart features.
- Pillar 2 - Our Community in Our Business: to develop talent capabilities and cultivate good governance in ESG.
- Pillar 3 - Environmental and Biodiversity Conservation: to drive impactful efforts in nature conservation and biodiversity stewardship in its townships and property developments.
- Pillar 4 - Enhancing Sustainability via Digitalisation: to leverage technology and data management to enhance Group-wide efforts in sustainable development.

Pillar 1

(i) Science Based Target (SBTi)

Gamuda is now amongst the first companies in Malaysia in the construction and engineering sector to be committed to Net Zero by 2050 via SBTi. The Group now is an official member of Business Ambition for 1.5°Campaign.

(ii) Task Force on Climate-Related Financial Disclosures (TCFD)

Gamuda is now an official supporter of the Task Force on Climate-Related Financial Disclosures (TCFD) and has been reporting based on the TCFD framework since 2020 via the Annual/Integrated Report.

(iii) Greenhouse Gases Traceability

Gamuda has completed Scope 1 and Scope 2 traceability and disclosed for all businesses in Malaysia and has set FY2022 as the baseline for future reduction and offsetting efforts. This is the first time the Group has reported in Scope 3 via the Integrated Report. The Group emission intensity was recorded at 6 tonnes CO₂e per million revenues.

(iv) Expanding Scope 3 via Supply Chain Awareness

As part of our continuous efforts in Scope 3 traceability, we have started monitoring and disclosing our construction emissions. We hope to further expand our traceability efforts to our supply chain. To manage these emissions, we have set targets from 2026 onwards. We have embarked on ESG training for our over 3,000 supply chain partners comprising financiers, government agencies and regulators, builders, suppliers and consultants. We have also obtained pledges from our suppliers on their commitment to enhancing sustainability in their operations.

**Quarterly Report On Consolidated Results
For The Period Ended 31 October 2022**

Notes To The Interim Financial Statements

(The figures have not been audited)

4. Next Year's Prospects (cont'd)

(b) Corporate Sustainability (cont'd)

Pillar 1 (cont'd)

(v) Validating our climate related disclosures

In ensuring the Group's climate related disclosures are correctly disclosed, third-party limited assurance statement was received on various related matters such as Scope 1, Scope 2, waste, water, spending on local suppliers and green/landscape area.

(vi) Renewable Energy

The aim of being the largest private RE producer in Malaysia with 800MW has increasingly taken its shape with the acquisition of 30% of ERS Sdn Bhd and the installation of solar panels in the organization and its developments. Currently, the Group has successfully installed solar PV at five sites that include Gamuda Digital IBS, Quayside Mall, twentyfive.7 sales gallery, Penang South Island project office and Menara Gamuda, which has a total generation capacity of about 1,700kWp.

Gamuda has also recently earmarked RM2 billion to invest in the Malaysian and international renewable energy (RE) space over a five-year period beyond just solar.

Pillar 2

(i) Zero NCR

Gamuda Engineering has recorded zero Non-Conformity Reports since 2009, marking our 13th year of such an achievement.

(ii) Prioritising local businesses

Gamuda strives towards shared prosperity by prioritising local businesses and supporting the local economy. In FY2022, no less than 99.41% of our total procurement spending was on local suppliers, exceeding the target of 95 percent.

(iii) Inclusive at Workplace

In FY2022, 36% of the employees in Gamuda are female. The Group won the UN Women WEPs Award 2022 for Gender Inclusive Workplace (Malaysia) and ACES Awards for Top Workplaces in Asia.

(iv) Investing in Education via Scholarship

In the year 2022, we have disbursed a total of 58 scholarships, with 43 local and 15 international – valued at a total of RM13 million, a substantial increase from RM3.9 million from the previous year. The scholarships were granted to students pursuing STEM related fields including Finance/Accounting, Business, and Psychology. In comparison to FY2021, we have awarded more scholarships to students from the B40 families. The scholarships awarded were inclusive of tuition fees, living expenses, accommodation, book and laptop allowances, airfare, and arrival fees for foreign students.

Pillar 3

(i) #OneMillionTrees

As of FY2022, Gamuda has nurtured 612,072 trees and saplings equivalent to about 61 percent of total trees to be planted under the #OneMillionTrees by 2023 movement.

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(The figures have not been audited)

4. Next Year's Prospects (cont'd)

(b) Corporate Sustainability (cont'd)

Pillar 4

(i) Gamuda Digital IBS

Gamuda's high-quality control standard is already seeing Digital IBS rapidly expanding into several Gamuda Land projects, including Amber Residence at twentyfive.7, Gaia Residences at Gamuda Gardens and Maya Bay Residences at Gamuda Cove. As the future demand for Digital IBS increases with expected government incentives and increasing emphasis on ESG for green certified projects, this has led to an improvement in the Gamuda Digital IBS FY2023 order book. This is due to the recent supply and installation of precast panels for a government project in Negeri Sembilan and an increase in-house Gamuda Land project.

(ii) Autonomous Tunnel Boring Machines in Australia

Our multiple award-winning A-TBM has not only enabled Gamuda to complete our projects faster, safer and at lower costs, but it has also opened doors for us overseas. In FY2022, we introduced this technology in Australia. Meanwhile, we are investing in further building our tunnelling expertise through the acquisition of Australia-based Tunnelling Solutions.

The status of projects for the respective divisions are as follows:

(c) GAMUDA ENGINEERING

(i) Recent Awards:

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, will be 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. Gamuda's orderbook is expected to increase by approximately RM1.28 billion. The project is expected to commence on early of 2023 and to be completed by 31 December 2030.

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(The figures have not been audited)

4. This Year's Prospects (cont'd)

(c) GAMUDA ENGINEERING (cont'd)

(ii) Klang Valley Mass Rapid Transit: MRT Putrajaya Line ("MRT Line 2")

MMC Gamuda is the Turnkey Contractor for the elevated and underground works for the Klang Valley MRT Line 2, with a contract price of RM30.5 billion.

The overall cumulative progress at the end of October 2022 for the:

- Elevated Works Package was on schedule at 99.99%;
- Underground Works Package was on schedule at 99.97%.

Phase 1 (Kwasa Damansara Station to Kampung Batu Station) is completed and has commenced operations on 16 June 2022. Phase 2 Elevated works and Underground structure works are in the final testing and commissioning phase before handing over to MRTTC and RR. Phase 2 is expected to commence operations in January 2023.

(iii) Penang Transport Master Plan

The Penang State Government (PSG) and the Company's 60% 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 Penang South Islands (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% 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 Sep 2021, the Appeal Board of the Department of Environment set aside the Approval of the PSR EIA, ruling that the Approval did not comply with Section 34A(4)(a) of the Environmental Quality Act 1974. This was because of the different interpretation on the approval date of the Penang Structure Plan 2030, which is under Judicial Review now.

A fresh and updated EIA report has been submitted to DOE in April 2022. Subsequently Technical Review Meetings were held in June 2022 and October 2022, thus revised EIA was submitted on the end of October 2022. The EIA Approval is expected in 1st Quarter of 2023 and reclamation works are expected to commence in the 2nd Quarter of 2023.

On 20 July 2022, the Penang State Government launched the Pre-Qualification stage for the Bayan Lepas Light Rail Transit (LRT) project to invite interested local and international companies to register their interest and submit documentation to be considered for the upcoming Request for Proposal tender.

The pre-qualification exercise is to identify and pre-qualify suitable works package contractors to participate in the RFP process, where the companies will submit proposals on engineering, procurement, construction, testing, and commissioning of the LRT's viaducts, stations, depot, system, and other associated works, as well as the funding, operation, and maintenance of the LRT system.

For the pre-qualification stage, interested companies are to submit their company profile, details on their key personnel, past and current projects, the contractual relationship of members in their respective consortiums or joint ventures, financial information, funding model, proposed implementation plan, and other supporting documents.

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(The figures have not been audited)

4. This Year's Prospects (cont'd)

(c) GAMUDA ENGINEERING (cont'd)

(iii) Penang Transport Master Plan (cont'd)

With the encouraging responses received from over 40 companies from Malaysia and abroad, the Penang government has considered the request from international companies to extend the registration deadline from August 8 to August 19 and the document submission deadline from August 24 to October 7 to allow more time for interested companies to submit their documents.

Barring any unforeseen circumstances, the RFP process is expected to be announced by first quarter of 2023.

(iv) 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 overall cumulative status as at October 2022 was at 2.66%.

(v) Sarawak

Pan Borneo Highway – WPC04 (Pantu Junction to Btg 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 89.30km 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.5 due to ground treatment design change was granted on 19 October 2022 and the new target completion date will be on 10 February 2023 with an extension of 87 days. Overall cumulative progress at the end of Oct 2022 was on schedule at 87.5%.

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. 5 was granted due to impact from the exceptionally inclement weather with an extension of additional 10 days, cumulatively 150 days extended. The new target completion date will be on 29 August 2024.

Overall cumulative progress at the end of October 2022 was on schedule at 23.51%.

(vi) Taiwan

Marine Bridge Project

The Group's 70%-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 in February 2023.

Offshore piling works, pile cap, bridge abutment and cantilever construction are progressing well according to schedule. The overall cumulative progress as at end October 2022 was on schedule at 75%.

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(The figures have not been audited)

4. This Year's Prospects (cont'd)

(c) GAMUDA ENGINEERING (cont'd)

(vii) Taiwan (cont'd)

Extension of Marine Bridge

Gamuda's 70%-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.

Physical works have commenced and the cumulative progress as at end October 2022 was on target at 7%.

Seawall for Reclamation Project

Gamuda's 70%-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 for May 2025.

Caisson construction is in progress. Overall cumulative progress as at end October 2022 was on track at 43%.

Taiwan - 161kV Songshu to Guangfeng Underground Transmission Line

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

Soil investigation has been substantially completed at the site, with launch shaft construction commencing. The cumulative progress as at end of October 2022 was 6%.

(vi) Australia

Sydney Metro West – Western Tunnelling Package

The 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 kilometres 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.

Design, site establishment, TBM Launch Box and shaft excavation are progressing well. The overall cumulative physical construction progress as at end of October 2022 was on track at 12%.

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(The figures have not been audited)

4. This Year's Prospects (cont'd)

(c) GAMUDA ENGINEERING (cont'd)

(vi) Australia (cont'd)

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 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 schedule with design and site investigation works underway and progressing well. The Project is scheduled to be fully completed in 2027.

(vii) Singapore

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. 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 on going at the site. The overall cumulative status as at October 2022 was at 33%.

Our 55% joint venture partner Greatearth Corporation filed a statutory declaration on 3 Sep 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.

Defu Station

Gamuda's 60%-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 project is scheduled to be completed in 2030.

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(The figures have not been audited)

4. This Year's Prospects (cont'd)

(d) GAMUDA LAND

In this first quarter of FY23, Gamuda Land sold RM480 million worth of properties compared with RM838 million sold in last year's comparative quarter. The lower quarterly sales was due to our executive condominium in Singapore, OLA Residences, being fully sold out last year and Celadon City project in Ho Chi Minh nears completion. Moving forward, we are anticipating higher sales take up from the newly launched Artisan Park, located in Binh Duong New City in Vietnam and Elysian in Ho Chi Minh City. Sales is also anticipated to pick up for Gamuda City in Hanoi, once the upcoming service apartments overlooking the lush Yen So Park is launched early next calendar year.

(i) Overseas

The division's sales from its new overseas projects, namely The Canopy on Normanby, Melbourne, Australia; West Hampstead Central in London, UK and Artisan Park in Ho Chi Minh City are the largest contributor to overseas sales which make up 42% of overall property sales.

Due to the success of Celadon City and Gamuda City coupled with the robust macro-economic environment in Vietnam such as high GDP growth, stable inflation and high foreign direct investments (FDI), Artisan Park is well positioned to capture these opportunities. Artisan Park is located in the heart of Binh Duong New City just outside of Ho Chi Minh City where the upcoming World Trade Centre is located.

Subsequent to the launch of Artisan Park, Gamuda Land acquired a 2.8 hectares site in Thu Duc City, Ho Chi Minh City. It is expected to comprise 1,300 units of apartment with an estimated total gross development of approximately USD 250 million. Located in a prime location adjacent to Ho Chi Minh City Hi-Tech Park, the site is surrounded by a wide range of existing infrastructure such as the Hanoi Highway, A1 National Road, the Ring Road 3 that is under construction and the Metro line 1 Ben Thanh – Suoi Tien.

OLA Residences, our executive condominium in Singapore was full sold last year. Sales of the completed 661 Chapel St. in Melbourne, Australia, continued to pick up pace.

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Notes To The Interim Financial Statements

(The figures have not been audited)

4. This Year's Prospects (cont'd)

(d) GAMUDA LAND (cont'd)

(ii) Malaysia

Quarterly sales from local projects stood at RM279 million, driven mainly by good placemaking and biophilic design elements in the division's product typology.

On-going projects are:

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

Succeeding Jade Square's achievement in Jade Hills, Jade Square 2 were completely sold. Vacant possession of Rymba Gardens in Jade Hills is also currently underway.

Following the launch of its first 100 units, the launch of Valeria, link homes in Gamuda Gardens saw 100% take-up. The encouraging take up is on the back of homebuyers' focus towards biophilic developments surrounded by nature and a healthy environment that are offered in Gamuda Gardens. With an estimated GDV of RM220 million, all bungalows in the phase, Monarc, are sold out while 50% of its semi-Ds are taken up.

Sales for Maya Bay Residences in Gamuda Cove started to pick up, nearing to completion of SplashMania Waterpark as many owners see the opportunity for short-term stay rental income. Consecutively, demand for good commercial units at Townsquare, located just next to SplashMania Waterpark has also began to see good interest. Meanwhile, owners of Palma Sands are due to receive their keys in April 2023.

Following encouraging demand from Gamuda Cove's Enso Woods for its affordability, similar Japanese-inspired link homes featuring biophilic design elements will be launched in the coming quarter. Gamuda Cove is gearing up for the launch of Mio Spring in Q2FY23 featuring link homes that have minimalist designs, ample natural lighting and open layouts. The precinct is also connected to Gamuda Cove's 60-acre pet friendly central park.

Beach Pool Club Cafe at Discovery Park was recently opened to the general public for meals, events and activities. In the coming months, Gamuda Cove's vibrancy will be driven by the upcoming opening of SplashMania Waterpark in January 2023. Food and beverage outlets, electronic store and education centres are also due to set up shops in Archive, Townsquare and SplashMania WaterPark in the coming months. The notable brands include Wondermama, Halley, Switch, Melody Kinderland and Llaollao. When these elements are put together, bringing families together and driving footfall to the township, visitors too will have the assurance of Gamuda Cove's readiness and vibrancy.

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4. This Year's Prospects (cont'd)

(e) GAMUDA LAND (cont'd)

(ii) Malaysia (cont'd)

The vacant possession for Amber Residences in twentyfive.7 was conducted in this quarter, drawing higher occupancy to the vibrant township which now has more placemaking components. Besides Quayside Mall; The Buzz.ar, a pet-friendly central park, Superfly Zipline, The Carousel and various attractions continue to draw visitors to the township.

Across from Quayside Mall, Quayside Shoppes will comprise a tenant mix within the sectors that involve health and wellness, education, co-working spaces and food and beverage with brands such as 99 Speedmart and Melody Kinderland coming onboard.

In the coming months, twentyfive.7 will see double-storey designer linked villas, Luxura, being launched. These homes will also feature biophilic designs with an open plan layout for multi-generational and pet living under one roof.

After the recent vacant possession of Invictus International School in Horizon Hills, Johor, the management is now actively conducting fittings so as to open its doors in early 2023. The school has a capacity of up to 1,500 students and will offer kindergarten, primary and secondary-level instruction (up to year 12). It will adopt the UK Cambridge curriculum, from pre-school levels up to the International General Certificate of Secondary Education (IGCSE) and Cambridge International A Levels (Advanced Levels).

(e) GAMUDA INFRASTRUCTURE CONCESSIONS

(i) Expressway

The sale of highways was completed on 13 October 2022.

(ii) Water

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

5. Dividends

The Board of Directors has declared a single tier special dividend and first interim dividend in respect of the financial year ending 31 July 2023 as follows:

- (i) A special interim dividend of 38 sen per ordinary share has been declared on 22 November 2022. The book closure date is on 14 December 2022 and dividend is payable on 23 December 2022.
- (ii) A single tier interim dividend of 6 sen per ordinary share. The book closure date and dividend payment date to be determined and announced at a later date.

In the previous corresponding period, a single tier interim dividend of 6 sen per ordinary share was declared and was paid on 8 March 2022.

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6. Trade Receivables

The current trade receivables are non-interest bearing and are generally on 14 to 90 days terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Receivables of the Group is analysed as follows:

	Note	As At 31-Oct-22 RM'000	As At 31-Jul-22 RM'000
<u>Current</u>			
Trade receivables			
Due from third parties	(a)	1,155,927	1,319,255
Due from associated companies		38,370	32,703
Due from joint venture	(b)	258,814	264,489
		1,453,111	1,616,447
Impaired		(75,779)	(70,617)
		1,377,332	1,545,830
Other receivables			
Sundry receivables		566,182	891,247
		1,943,514	2,437,077
Ageing analysis of current trade receivables:-			
Neither past due nor impaired		1,196,275	1,316,489
1 to 30 days past due not impaired		55,163	70,730
31 to 60 days past due not impaired		25,273	23,845
61 to 90 days past due not impaired		19,332	15,757
91 to 120 days past due not impaired		12,110	20,784
More than 121 days past due not impaired		69,179	98,225
		181,057	229,341
Impaired		75,779	70,617
Total trade receivables		1,453,111	1,616,447

a) Due from third parties

Included are amount totaling to RM491 million due from government and government linked companies.

b) Due from joint venture

Included is an amount of RM258 million due from its 50% owned MMC Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel SB"). Tunnel SB is the underground works contractor for MRT Putrajaya Line.

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Notes To The Interim Financial Statements

(The figures have not been audited)

7. Group Borrowings and Debt Securities

The details of the Group's borrowings as at the end of the period are as follows:

	As At 31 October 22			As At 31 July 22		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>CONTINUING OPERATIONS</u>						
<u>Long Term Borrowings</u>						
Medium Term Notes						
- Gamuda	-	850,000	850,000	-	850,000	850,000
- Gamuda Gardens	-	100,000	100,000	-	100,000	100,000
- Gamuda Cove	-	1,000,000	1,000,000	-	1,000,000	1,000,000
Term Loans						
- Gamuda	-	1,059,055	1,059,055	-	1,041,035	1,041,035
- GB Astir	136,057	-	136,057	125,275	-	125,275
- twentyfive.7	21,681	-	21,681	68,702	-	68,702
- Aldgate, UK	-	42,967	42,967	-	42,575	42,575
Revolving Credits						
- Jade Hills	1,470	-	1,470	3,140	-	3,140
	159,208	3,052,022	3,211,230	197,117	3,033,610	3,230,727
<u>Short Term Borrowings</u>						
Medium Term Notes						
- Gamuda	-	900,000	900,000	-	900,000	900,000
Commercial Papers						
- Gamuda Cove	150,000	-	150,000	100,000	-	100,000
Term Loans						
- Gamuda	-	-	-	-	14,000	14,000
- twentyfive.7	118,754	-	118,754	122,272	-	122,272
Revolving Credits						
- Gamuda	-	410,811	410,811	-	189,604	189,604
- Taiwan - Dong Pi	-	72,444	72,444	-	73,582	73,582
- Pan Borneo	-	145,000	145,000	-	145,000	145,000
- Jade Home	821	-	821	4,879	-	4,879
	269,575	1,528,255	1,797,830	227,151	1,322,186	1,549,337
<u>DISCONTINUING OPERATIONS</u>						
Medium Term Notes						
Short Term Borrowings	-	-	-	105,000	-	105,000
Long Term Borrowings	-	-	-	90,000	-	90,000
	-	-	-	195,000	-	195,000
Total Borrowings	428,783	4,580,277	5,009,060	619,268	4,355,796	4,975,064

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(The figures have not been audited)

7. Group Borrowings and Debt Securities (cont'd)

The Group borrowings and debt securities are denominated in the following currencies:

	<u>As At 31 October 22</u>		<u>As At 31 July 22</u>	
	<u>Foreign Currency ('000)</u>	<u>RM'000 Equivalent</u>	<u>Foreign Currency ('000)</u>	<u>RM'000 Equivalent</u>
RM	-	4,556,235	-	4,544,028
USD	42,600	201,357	42,600	189,604
TWD	494,500	72,444	494,500	73,582
GBP	32,749	179,024	30,988	167,850
		<u>5,009,060</u>		<u>4,975,064</u>

8. Basis of Preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the Group's audited consolidated financial statements for the financial year ended 31 July 2022.

In accordance with MFRS 5 Non-current Assets Held for Sale Operations, the financial results of Kesas Sdn Bhd, Sistem Penyuraian Trafik KL Barat Sdn Bhd, Lingkaran Trans Kota Sdn Bhd and Syarikat Mengurus Air Banjir & Terowong Sdn Bhd (collectively referred to as Expressway Concession Companies), and; the holding companies of the Expressway Concession Companies are presented separately under discontinued operations in the statement of profit or loss of the Group. Assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position. Further details of the disposal are as disclosed in Note 21.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 August 2022. The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact on the interim financial statements of the Group.

9. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the financial year ended 31 July 2022 was not subject to any qualification.

10. Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors.

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11. Unusual Items

There were no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group.

12. Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter results.

13. Changes in Equity Securities

During the financial period to-date, the Company increased its issued and paid up share capital from 2,553,930,909 as at 31 July 2022 to 2,591,069,332 as at 31 October 2022 by way of issuance of 37,138,423 new ordinary shares pursuant to the dividend reinvestment plan that was completed on 5 September 2022.

There were no cancellations, repurchases and resale of equity securities for the financial period to date.

14. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements as at 31 July 2022.

15. Material Events Subsequent to Balance Sheet Date

On 7 December 2022, the Board of Directors has announced its execution of a subscription and shareholders agreement to acquire a 30% equity interest in ERS Energy Sdn Bhd via subscription of 4,285,714 new ordinary shares for a total cash consideration of RM200 million.

There were no other material events subsequent to the end of the quarter except for as disclosed in Note 21.

16. Changes in Composition of the Group

There were no other material changes in the composition of the Group for the period ended 31 October 2022 except for as disclosed in Note 21.

17. Other Comprehensive Income (OCI)

Included in other comprehensive income for the period ended 31 October 2022 is a net foreign exchange loss of RM22 million. The net foreign exchange loss resulted from the loss on foreign currency translation of the Group's overseas assets due to the stronger Ringgit Malaysia.

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(The figures have not been audited)

18. Income Tax

	3 months ended 31 October	
	2022	2021
	RM'000	RM'000
Continuing operations		
Income tax		
- Current year	19,563	19,843
- Prior year	13	176
Deferred tax		
- Current year	8,608	2,137
- Prior year	<u>(190)</u>	<u>(846)</u>
	<u>27,994</u>	<u>21,310</u>
Discontinued operations		
Income tax		
- Current year	9,614	8,162
Deferred tax		
- Current year	<u>(6,858)</u>	<u>(2,196)</u>
	<u>2,756</u>	<u>5,966</u>
	<u>30,750</u>	<u>27,276</u>

The Group's effective tax rate (excluding the results of joint ventures and associates which is equity accounted net of tax) for the current quarter is higher than the statutory tax rate mainly due to certain non-deductible expenses.

19. Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

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(The figures have not been audited)

20. Status of Corporate Proposals

There was no outstanding corporate proposal for the current quarter under review.

As at the reporting date on 13 December 2022, the status of proposed utilisation of proceeds received from the disposal of all the securities in Kesas Sdn Bhd (“Kesas”), Sistem Penyuraian Trafik KL Barat Sdn Bhd (“SPRINT”), Lingkaran Trans Kota Sdn Bhd (“LITRAK”) and Syarikat Mengurus Air Banjir & Terowong Sdn Bhd (“SMART”) to Amanat Lebuhraya Rakyat Berhad (“ALR”) are as follows:

Purpose	Proposed utilisation	Actual utilisation	Balance unutilised	Estimated utilisation timeframe from the completion of the disposal of highway
	RM'000	RM'000	RM'000	
Dividend distribution	1,000,000	-	1,000,000	Payable on 23 December 2022
Repayment of borrowings	900,000	500,000	400,000	Within 12 months
General corporate and working capital	445,600	38,000	407,600	Within 24 months
Estimated expenses for the disposals	8,400	2,450	5,950	Within 3 months
Total	2,354,000	540,450	1,813,550	

21. Disposal of highway concession companies (Disposals)

On 13 October 2022, each of the Shares Sales and Purchase Agreement (‘SSPAs’) has become unconditional following the fulfilment of the conditions precedent stipulated in each of the SSPAs in respect of each of the Disposals. Each of the Disposals is completed on 13 October 2022 (Completion Date) following in accordance with the terms and conditions of each of the SSPAs.

On the Completion Date, pursuant to the terms and conditions of each of the SSPAs, the Concession Holding Companies of KESAS, SPRINT and LITRAK have received a total sum of RM4,260 million (Gamuda’s share of proceed is RM3,354 million).

In relation to the Disposal of SMART, ALR has paid the Equity Value equivalent to RM1.00 to SMART Holdings on the Completion Date. ALR has also paid in full, the Redemption Amount of RM316 million to the bank account provided by the facility/security agent under the terms of the Sukuk Facilities on the Completion Date.

Pursuant to the completion of the Disposals:

- 1) Kesas has ceased to be a subsidiary of Kesas Holdings and an indirect subsidiary of Gamuda;
- 2) SPRINT has ceased to be a subsidiary of SPRINT Holdings and an indirect associate company of Gamuda;
- 3) LITRAK has ceased to be a subsidiary of LITRAK Holdings and an indirect associate company of Gamuda;
- and
- 4) SMART has ceased to be a subsidiary of SMART Holdings, a 50% joint venture company of Gamuda

(Kesas, SPRINT, LITRAK and SMART shall collectively be referred to as the “Highway Concession Companies” and each an “Highway Concession Company”, and Kesas Holdings, SPRINT Holdings, LITRAK Holdings and SMART Holdings shall collectively be referred to as the “Concession Holding Companies” and each a “Concession Holding Company”).

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(The figures have not been audited)

21. Disposal of highway concession companies (Disposals) (cont'd)

The disposal of highway concession companies was completed on 13 October 2022.

Details of the disposal at Completion Date were as follows:

	At date of completion RM'000
Assets of disposal group classified as held for sale/distribution	
Expressway development expenditure	948,526
Property, plant and equipment	1,370
Interests in associated companies	764,006
Other investment	79
Deferred tax assets	8,646
Sundry receivables	44,785
Tax recoverable	210
Cash and bank balances	214,612
	<u>1,982,234</u>
Liabilities of disposal group classified as held for sale/distribution	
Islamic borrowing	105,000
Contract liabilities	2,942
Deferred tax liabilities	206,434
Retirement benefit obligations	2,558
Sundry payables	31,438
	<u>348,371</u>
Net carrying amount of the Disposals as at date of completion	1,633,863
Less : Non-controlling interests share of net assets	<u>(258,437)</u>
Net carrying amount of the Disposals as at date of completion	<u>1,375,426</u>
Total disposal proceeds	2,353,714
Less: Net carrying amount of the Disposals as at date of completion	<u>(1,375,426)</u>
Gain arising from disposal of highway concession companies	<u>978,288</u>
The net cash flows on disposal of highway is determined as follows:	
Total disposal proceeds	2,353,714
Less: Amount of proceed receivable	<u>(1,261,726)</u>
Net proceed from disposal of highway concession companies	<u>1,091,988</u>

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Notes To The Interim Financial Statements

(The figures have not been audited)

22. Discontinued Operations

- a) The analysis of the financial results of the discontinued operations of disposal of highway concession companies was as follows:

	31 Oct 22	31 Oct 21
	RM'000	RM'000
Revenue	47,693	59,184
Operating expenses	(9,888)	(34,028)
Other income	3,365	2,845
Profit from discontinued operations	<u>41,170</u>	<u>28,002</u>
Finance costs	(3,065)	(3,129)
Share of profit of associated companies	21,865	26,244
Share of losses of joint ventures	-	(2,258)
Profit before taxation	59,970	48,858
Income tax expenses	(2,756)	(5,966)
Core profit for the period from discontinued operations	<u>57,214</u>	<u>42,892</u>
One-off gain arising from disposal of highway	1,111,124	-
Profit for the period from discontinued operations	<u>1,168,338</u>	<u>42,892</u>
Attributable to:-		
Owners of the Company	1,023,676	37,220
Non-controlling interests	144,662	5,672
	<u>1,168,338</u>	<u>42,892</u>

- b) The major classes of assets and liabilities classified as held for sale and distribution

	31 Oct 22
	RM'000
Assets of disposal group classified as held for sale and distribution	
Property, plant and equipment	237
Interests in associated companies	1,184,506
Receivables	114,129
Cash and bank balances & Investment securities	5,008
	<u>1,303,881</u>
Liabilities of disposal group classified as held for sale and distribution	
Payables	(8,649)
Net assets of disposal group classified as held for sale and distribution	<u>1,295,232</u>

- c) Cash flows attributable to discontinued operations, as follow:

	31 Oct 22
	RM'000
Net cash flows used in operating activities	(444,568)
Net cash flows used in investing activities	(100,748)
Net cash flows used in financing activities	(195,000)
Net increases in cash and cash equivalents	<u>(740,316)</u>

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(The figures have not been audited)

23. Changes in Contingent Liabilities or Contingent Assets

There are no significant contingent liabilities or contingent assets.

24. Provision of Financial Assistance

Pursuant to paragraph 8.23(1)(ii) of Bursa Malaysia Securities Berhad's Listing Requirements, the financial assistance provided by Gamuda Berhad ("Gamuda") is as follows:

a) Company Guarantees

1. The Company and its joint venture partner, MMC Corporation Berhad ("MMC"), issued parent company guarantees to guarantee the due performance and obligations of MMC - Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel SB") in the underground works packages of the Klang Valley Mass Rapid Transit Project Sungai Buloh-Kajang Line ("KVMRT Line 1") and Klang Valley Mass Rapid Transit Project Sungai Buloh-Serdang-Putrajaya Line ("KVMRT Line 2"). Tunnel SB is equally owned by MMC and the Company.
2. The Company and its joint venture partner, MMC, have also issued parent company guarantees to guarantee the due performance and obligations of MMC - Gamuda KVMRT (PDP SSP) Sdn. Bhd. ("PDP SSP") as the PDP of KVMRT Line 2 and subsequently, as the Turnkey Contractor of KVMRT Line 2 following the conversion from PDP model to Turnkey model. PDP SSP is equally owned by MMC and the Company.
3. The Company and its joint venture partner, Naim Engineering Sdn. Bhd. ("NAIM") have issued parent company guarantees to guarantee the due performance and obligations of Naim Gamuda (NAGA) JV Sdn Bhd ("NAGA") in the works package contract for the development and upgrading of Pan Borneo Highway, Sarawak - WPC-04 (Pantu Junction to Btg Skrang). The Company owns a 30% stake in NAGA and balance 70% stake is owned by NAIM.

The guarantees issued by the Company for the contracts in (1), (2) and (3) have not been crystallised because Tunnel SB, PDP SSP and NAGA have been performed and met their obligations in compliance with the terms of the contract.

The directors are of the opinion that the transactions above have been entered into in the normal course of business.

b) Advances to sub-contractors

The amount for advances to sub-contractors as at 31 October 2022 are as follows:

	RM'000
Non-interest bearing advances	<u>279,396</u>

The financial assistance provided does not have any material effect on the earnings, net assets and liquidity of Gamuda Group.

**Quarterly Report On Consolidated Results
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(The figures have not been audited)

25. Capital Commitments

The amount for capital commitments not provided for in the interim financial statements as at 31 October 2022 are as follows:

	RM'000
Approved and contracted for :-	
- Land for property development	153,271
- Plant and equipment	21,063
- Computer and software	4,873
	<u>179,207</u>

26. Material Litigation

There was no material litigation against the Group as at the reporting date on 13 December 2022.

27. Earnings Per Share

	Current Quarter 31-Oct-22
Basic	
Profit attributable to owners of the Company (RM'000)	
- Continuing operations	144,992
- Discontinued operations	1,023,676
	<u>1,168,668</u>
Number of ordinary shares in issue as at 1 Aug 2022 ('000)	2,553,931
Effect of shares issued during the period ('000)	24,759
Weighted average number of ordinary shares in issue ('000)	<u>2,578,690</u>
Basic earnings per share (sen)	
- Continuing operations	5.62
- Discontinued operations	39.70
	<u>45.32</u>
Diluted	
Profit attributable to owners of the Company (RM'000)	
- Continuing operations	144,992
- Discontinued operations	1,023,676
	<u>1,168,668</u>
Weighted average number of ordinary shares in issue ('000)	2,578,690
Adjusted for:	
Assumed shares issued from the exercise of ESOS ('000)	50,494
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>2,629,184</u>
Fully diluted earnings per share (sen)	
- Continuing operations	5.51
- Discontinued operations	38.94
	<u>44.45</u>

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Notes To The Interim Financial Statements

(The figures have not been audited)

28. Notes to the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/(crediting) the following items:

	Current Quarter 31-Oct-22
	RM'000
Interest income	(34,233)
Other income	(12,193)
Gain on disposal of property, plant and equipment	(671)
One-off gain arising from disposal of highway	<u>(1,111,124)</u>
	<u>(1,158,221)</u>
Interest expense	27,482
Depreciation and amortisation	27,761
Gain on foreign exchange	<u>12</u>

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.