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

# STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

## FINANCIAL PERFORMANCE ANALYSIS

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

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

## GROUP SEGMENTAL PERFORMANCE

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

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

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

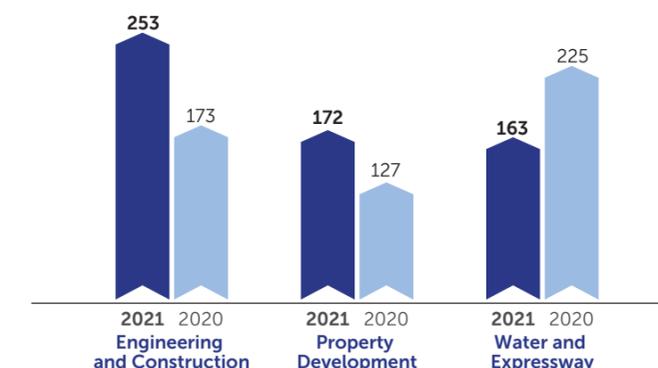
Overall, the Group posted a revenue of RM5.0 billion, a decrease of 26 percent compared with the half COVID-19-free preceding year’s revenue of RM6.8 billion as the first phase of MRT Putrajaya Line traversing from Kwasa Damansara station to Kampung Baru station nears completion. The Group’s full year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

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

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

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

**Net Profits by Division**  
 RM'million



## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

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

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

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

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

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

### ENGINEERING AND CONSTRUCTION

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

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

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

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

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

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

### ENGINEERING AND CONSTRUCTION: NET PROFIT

**RM253** MILLION  
INCREASE OF 46%

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

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

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

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

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

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

#### (d) Sarawak

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

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

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

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

#### (e) Taiwan

##### (i) Marine Bridge

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

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

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

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

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

#### (f) Gamuda Australia

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

Notable projects currently under tender:

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

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

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

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

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

#### (h) Gamuda Digital IBS

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

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

### PROPERTY DEVELOPMENT

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

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

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

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

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

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

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

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

#### Overseas

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

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

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

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

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

### PROPERTY DEVELOPMENT (CONT'D.)

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

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

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

#### (b) Singapore

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

#### (c) Melbourne, Australia

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

#### Malaysia

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

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

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

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

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

Ongoing projects are:

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

### WATER AND EXPRESSWAY

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

#### (a) Expressway

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

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

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

#### (b) Water

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

### WATER AND EXPRESSWAY: NET PROFIT

**RM163** MILLION  
DECREASE OF 28%

## STATEMENT FROM THE GROUP CHIEF FINANCIAL OFFICER

## Consolidated Cash Flow Analysis

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

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

## Capital Management

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

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

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

## Group's borrowings profile

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

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

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

## Consolidated Financial Position Analysis

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

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

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

## Total assets

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

## Total liabilities

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

## Owner's equity

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

## Quick ratio

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

## Capital Expenditure Requirements

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

## Dividend Payout

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

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

## Core return on owner's equity

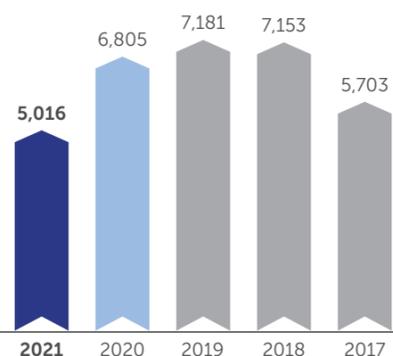
The Group's core return on owner's equity improves to 6.4 percent from 6.1 percent due to stronger construction and property earnings as works on all fronts were ramped up this year.

## MR. SOO KOK WONG

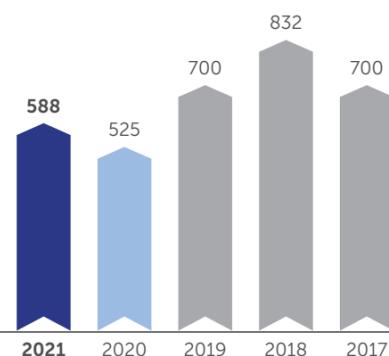
Group Chief Financial Officer

# GROUP FIVE YEARS FINANCIAL HIGHLIGHTS

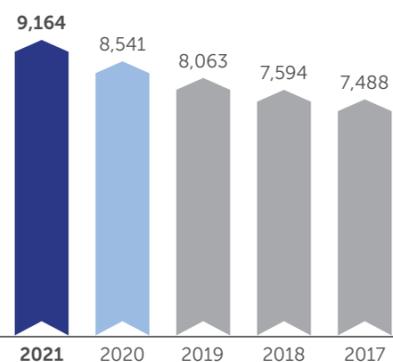
## REVENUE RM5,016 MILLION



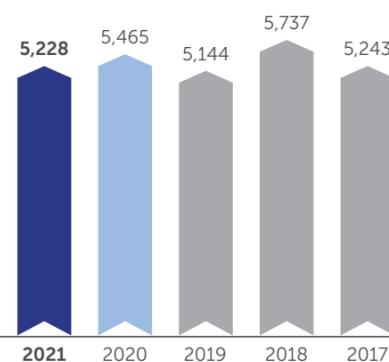
## CORE NET PROFIT RM588 MILLION



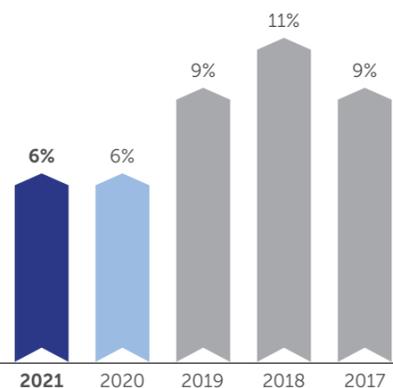
## OWNERS' EQUITY RM9,164 MILLION



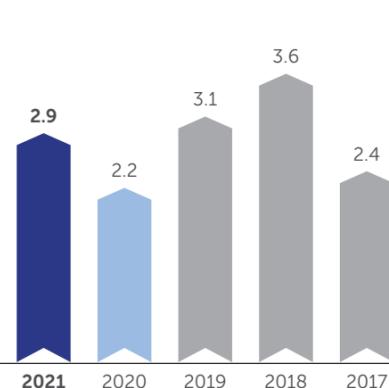
## TOTAL BORROWINGS RM5,228 MILLION



## CORE RETURN ON OWNERS' EQUITY 6%



## ANNUAL PROPERTY SALES RM2.9 BILLION

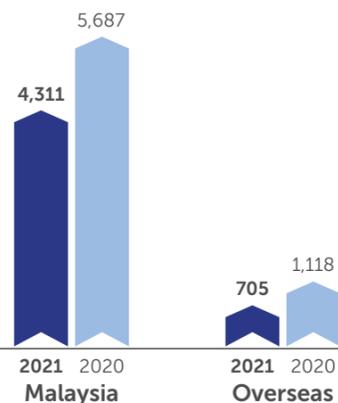


RM'million	Financial Year Ended July				
	2021	2020	2019	2018	2017
<b>FINANCIAL RESULTS</b>					
Revenue as reported in audited financial statements	3,517	3,663	4,565	4,217	3,212
Share of joint ventures' revenue	1,499	3,142	2,616	2,936	2,491
<b>Revenue</b>	<b>5,016</b>	<b>6,805</b>	<b>7,181</b>	<b>7,153</b>	<b>5,703</b>
<b>Core Profit Before Tax</b>	<b>786</b>	<b>738</b>	<b>901</b>	<b>1,051</b>	<b>924</b>
Less: One-off items					
- Impairment on IBS assets	-	(148)	-	-	-
- Loss on disposal of SPLASH	-	-	-	(300)	-
- Impairment of Gamuda Water's trade receivables	-	-	-	(7)	-
- Impairment on SMART's expressway	-	-	-	-	(98)
<b>Profit before tax</b>	<b>786</b>	<b>590</b>	<b>901</b>	<b>744</b>	<b>826</b>
<b>Core Net Profit</b>	<b>588</b>	<b>525</b>	<b>700</b>	<b>832</b>	<b>700</b>
Less: One-off items					
- Impairment on IBS assets	-	(148)	-	-	-
- Loss on disposal of SPLASH	-	-	-	(300)	-
- Impairment of Gamuda Water's trade receivables	-	-	-	(5)	-
- Impairment on SMART's expressway	-	-	-	-	(98)
<b>Net Profit</b>	<b>588</b>	<b>377</b>	<b>700</b>	<b>527</b>	<b>602</b>
<b>KEY INFORMATION OF FINANCIAL POSITION</b>					
Total Cash and Bank Balances and Investment Securities	3,538	2,792	1,849	1,623	1,042
Total Assets	18,423	18,528	17,196	16,629	15,666
Total Liabilities	8,908	9,560	8,734	8,651	7,809
Total Borrowings	5,228	5,465	5,144	5,737	5,243
Share Capital (No. of shares)	2,514	2,514	2,472	2,468	2,451
Owners' Equity	9,164	8,541	8,063	7,594	7,488
Total Equity	9,516	8,968	8,462	7,978	7,858
<b>FINANCIAL RATIOS</b>					
Core Earnings Per Share (sen)	23.41	21.09	28.36	33.83	28.84
Basic Earnings Per Share (sen)	23.41	15.13	28.36	21.43	24.78
Share Price at Year End (RM)	2.80	3.56	3.71	3.60	5.30
Core Price Earnings Ratio (times)	11.96	16.88	13.08	10.64	18.39
Price Earnings Ratio (times)	11.96	23.53	13.08	16.80	21.39
Core Return on Owners' Equity	6%	6%	9%	11%	9%
Return on Owners' Equity	6%	4%	9%	7%	8%
Core Return on Total Assets	3%	3%	4%	5%	4%
Return on Total Assets	3%	2%	4%	3%	4%
Dividend Payout to Earning Ratio	-	40%	42%	56%	49%
Net Gearing Ratio (times)	0.2	0.3	0.4	0.5	0.5

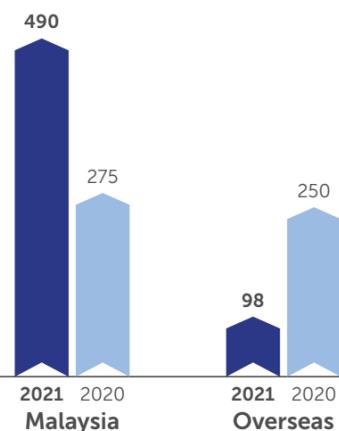
# GROUP SEGMENTAL PERFORMANCE

RM'million	Financial Year Ended July				
	2021	2020	2019	2018	2017
<b>GROUP REVENUE</b>					
Engineering and Construction	3,287	4,789	4,138	4,066	3,327
Property Development	1,295	1,521	2,547	2,575	1,868
Water and Expressway	434	495	496	512	508
<b>Revenue</b>	<b>5,016</b>	<b>6,805</b>	<b>7,181</b>	<b>7,153</b>	<b>5,703</b>
<b>GROUP PROFIT BEFORE TAX</b>					
Engineering and Construction	341	239	283	367	269
Property Development	216	173	314	261	215
Water and Expressway	229	326	304	423	440
<b>Core Profit Before Tax</b>	<b>786</b>	<b>738</b>	<b>901</b>	<b>1,051</b>	<b>924</b>
Less: One-off items	-	(148)	-	(307)	(98)
<b>Profit Before Tax</b>	<b>786</b>	<b>590</b>	<b>901</b>	<b>744</b>	<b>826</b>
<b>GROUP NET PROFIT</b>					
Engineering and Construction	253	173	237	296	225
Property Development	172	127	259	219	165
Water and Expressway	163	225	204	317	310
<b>Core Net Profit</b>	<b>588</b>	<b>525</b>	<b>700</b>	<b>832</b>	<b>700</b>
Less: One-off items	-	(148)	-	(305)	(98)
<b>Net Profit</b>	<b>588</b>	<b>377</b>	<b>700</b>	<b>527</b>	<b>602</b>

By Geographical  
**REVENUE**  
(RM'million)



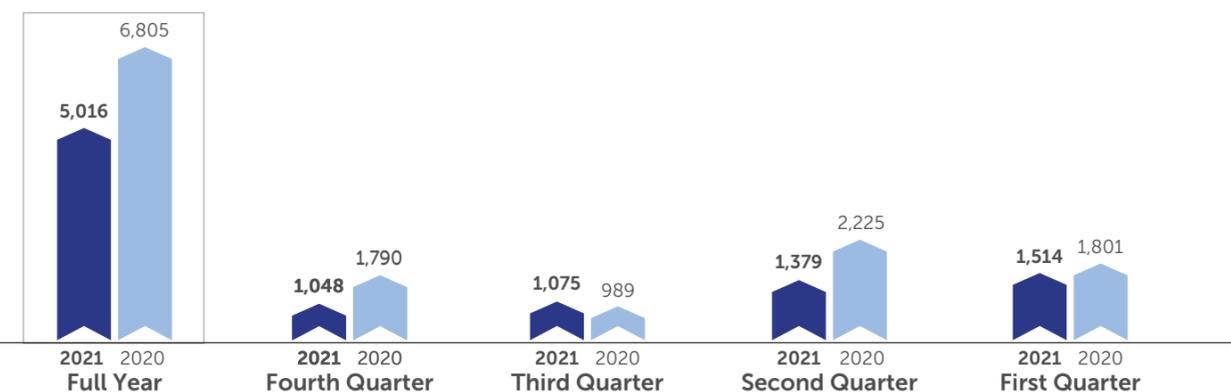
By Geographical  
**CORE NET PROFIT**  
(RM'million)



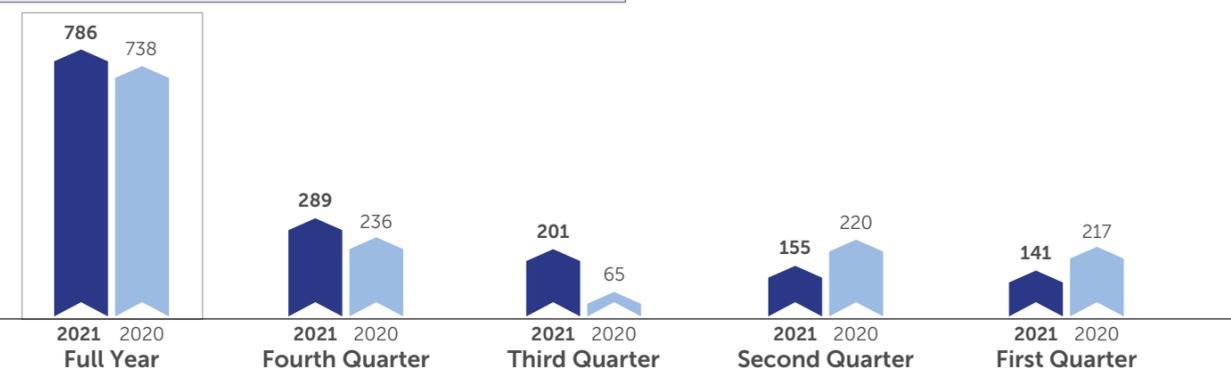
# GROUP QUARTERLY PERFORMANCE

RM'million	2021 YTD	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
		Jul-21	Apr-21	Jan-21	Oct-20
<b>2021</b> For the period ended					
Revenue as reported in audited financial statements	3,517	887	971	895	764
Share of joint ventures' revenue	1,499	161	104	484	750
<b>Revenue</b>	<b>5,016</b>	<b>1,048</b>	<b>1,075</b>	<b>1,379</b>	<b>1,514</b>
<b>Core profit before tax</b>	<b>786</b>	<b>289</b>	<b>201</b>	<b>155</b>	<b>141</b>
Less: One-off items	-	-	-	-	-
<b>Profit before tax</b> as reported in audited financial statements	<b>786</b>	<b>289</b>	<b>201</b>	<b>155</b>	<b>141</b>
<b>Core net profit</b>	<b>588</b>	<b>214</b>	<b>142</b>	<b>123</b>	<b>109</b>
Less: One-off items	-	-	-	-	-
<b>Net Profit</b> as reported in audited financial statements	<b>588</b>	<b>214</b>	<b>142</b>	<b>123</b>	<b>109</b>
Basic earnings per share (sen)	23.41	8.52	5.64	4.90	4.35
Core earnings per share (sen)	23.41	8.52	5.64	4.90	4.35
Dividend per share – single tier (sen)	-	-	-	-	-
Net assets per share attributable to equity holders (RM)	3.65	3.65	3.52	3.45	3.41

**REVENUE - By Quarters**  
(RM'million)



**CORE PROFIT BEFORE TAX (PBT) - By Quarters**  
(RM'million)



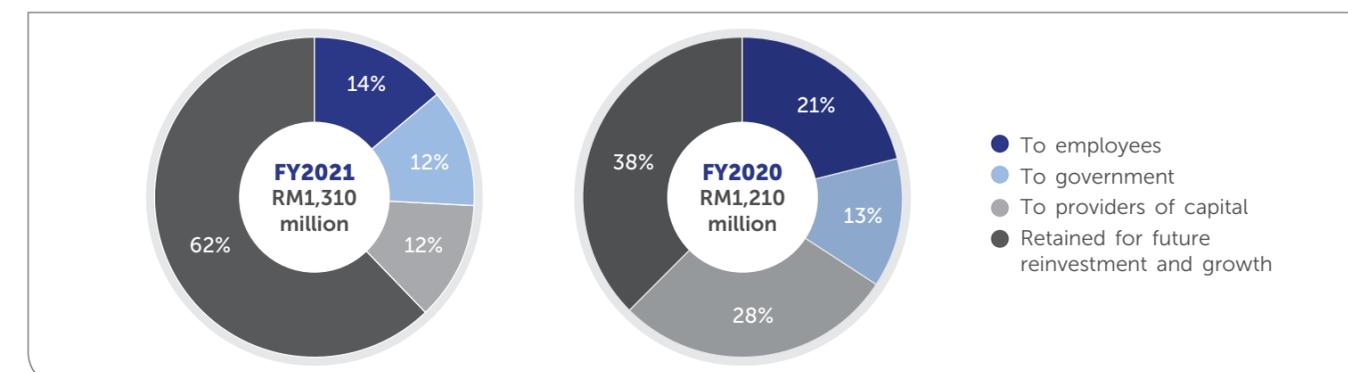
## GROUP QUARTERLY PERFORMANCE

RM'million					
2020 For the period ended	2020 YTD	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
		Jul-20	Apr-20	Jan-20	Oct-19
Revenue as reported in audited financial statements	3,663	927	549	1,091	1,096
Share of joint ventures' revenue	3,142	863	440	1,134	705
<b>Revenue</b>	<b>6,805</b>	<b>1,790</b>	<b>989</b>	<b>2,225</b>	<b>1,801</b>
<b>Core profit before tax</b>	<b>738</b>	<b>236</b>	<b>65</b>	<b>220</b>	<b>217</b>
Less: One-off items					
- Impairment of IBS assets	(148)	(148)	-	-	-
<b>Profit before tax</b> as reported in audited financial statements	<b>590</b>	<b>88</b>	<b>65</b>	<b>220</b>	<b>217</b>
<b>Core net profit</b>	<b>525</b>	<b>136</b>	<b>40</b>	<b>175</b>	<b>174</b>
Less: One-off items					
- Impairment of IBS assets	(148)	(148)	-	-	-
<b>Net Profit</b> as reported in audited financial statements	<b>377</b>	<b>(12)</b>	<b>40</b>	<b>175</b>	<b>174</b>
Basic earnings per share (sen)	15.13	(0.50)	1.60	7.07	7.02
Core earnings per share (sen)	21.09	5.39	1.60	7.07	7.02
Dividend per share – single tier (sen)	6.00	-	-	-	6.00
Net assets per share attributable to equity holders (RM)	3.40	3.40	3.42	3.34	3.35

## STATEMENT OF VALUE ADDED AND DISTRIBUTION

The statement of value added shows the total wealth created by the Group and its distribution to stakeholders, with the balance retained in the Group for reinvestment and future growth.

RM'million	2021	2020
<b>VALUE ADDED:</b>		
Revenue	5,016	6,805
Operating expenses	(4,208)	(6,122)
Other income	187	219
Share of profits of associated companies and joint ventures	315	308
<b>Total value added for distribution</b>	<b>1,310</b>	<b>1,210</b>
<b>DISTRIBUTION:</b>		
To employees		
- Salaries and other staff costs	185	257
To Governments		
- Taxation	154	161
To providers of capital		
- Dividends	-	149
- Finance cost	114	139
- Non-controlling interest	44	53
Retained for future reinvestment and growth		
- Depreciation and amortisation	225	223
- Retained profits	588	228
<b>Total Distributed</b>	<b>1,310</b>	<b>1,210</b>
<b>RECONCILIATION</b>		
Net Profit for the year attributable equity holders	588	377
Add: Depreciation and amortisation	225	223
Finance cost	114	139
Staff costs	185	257
Taxation	154	161
Non-controlling interest	44	53
<b>Total Value Added</b>	<b>1,310</b>	<b>1,210</b>

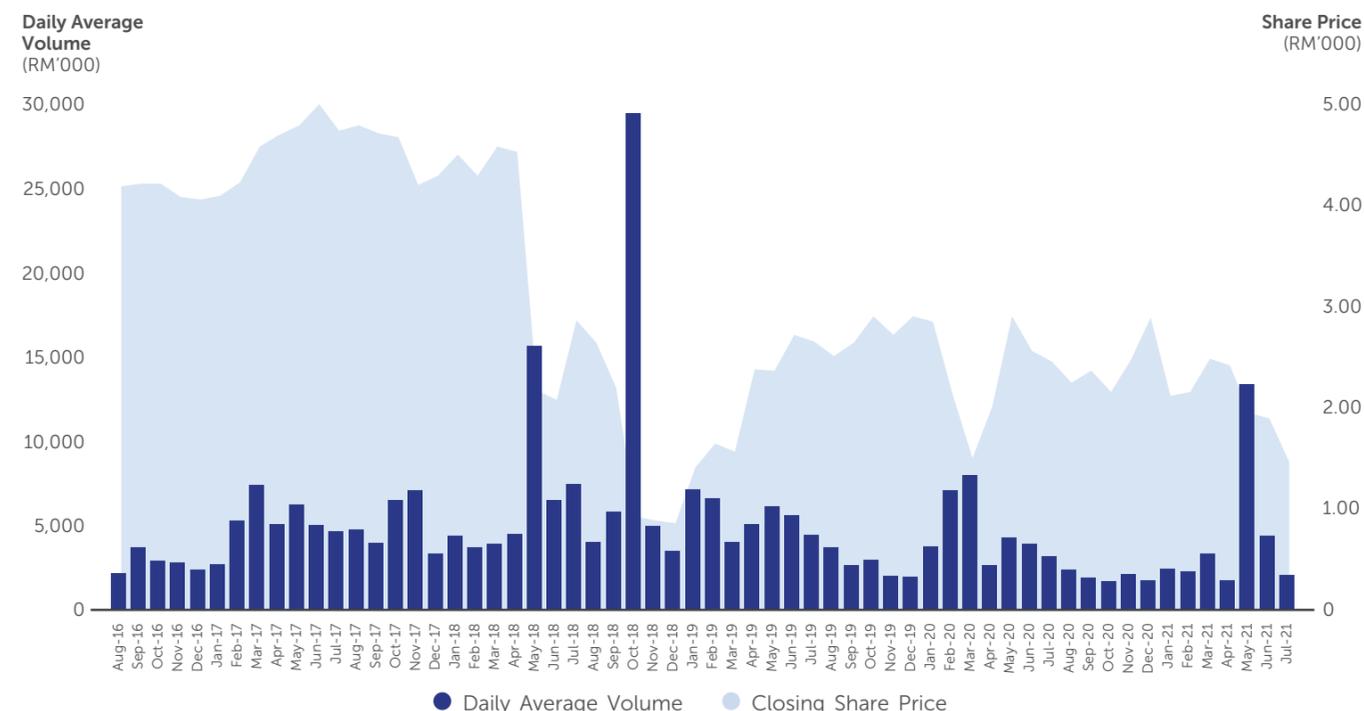


# SHARE PERFORMANCE

Stock Exchange  
BURSA MALAYSIA SECURITIES BHD

Trading Name  
GAMUDA

Stock Code  
5398



Share Price	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	July-21
High (RM)	3.78	3.60	3.61	3.75	3.89	3.82	3.48	4.00	3.74	3.58	3.27	3.12
Low (RM)	3.28	3.24	3.33	3.28	3.55	3.30	3.25	3.33	3.48	3.01	3.08	2.75
Daily Average Volume ('000)	2,669	2,127	1,869	2,369	1,935	2,709	2,517	3,700	1,966	14,863	4,863	2,325

# FINANCIAL CALENDAR

## 2021 ANNOUNCEMENT OF CONSOLIDATED RESULTS

### QUARTER 1

Monday,  
21 December 2020

### QUARTER 2

Tuesday,  
30 March 2021

### QUARTER 3

Thursday,  
24 June 2021

### QUARTER 4

Wednesday,  
29 September 2021

## 2021 ANNUAL GENERAL MEETING

Notice of Annual General Meeting  
Tuesday, 9 November 2021

45<sup>th</sup> Annual General Meeting  
Wednesday, 8 December 2021

# INVESTOR RELATIONS

## INVESTOR RELATIONS – POLICY, PRACTICES AND PROGRAMMES

The Board recognises Investor Relations (IR) as a key component of its Corporate Governance obligations. To meet the high expectations of the investment community, the Board has set up a dedicated IR unit headed by the Group Managing Director and assisted by the Senior Group General Manager, Investor Relations, to provide direct access to top management in all matters pertaining to Investor Relations.

The Board's primary objective is to provide all necessary information to the financial community such that shareholders, investors and potential investors can make an informed judgement on the fair value of the company's shares consistently over time. By doing so, this will help to create demand for the company's shares, and eventually optimise the company's cost of capital. To enhance the effectiveness of the IR unit, the Board has instituted a comprehensive IR policy and programme with the following objectives, guidelines and mandates:-

### 1) Equal Access to Information

As a publicly listed group, the Board is acutely aware of the need to always provide fair and equal access to information for all classes of investors. Investors play an important role in the successful growth and development of the Group. Therefore, the Board treats all classes of investors equally, notwithstanding the wide range of investors, many of whom have differing investment objectives and mandates. The IR unit caters to the demands of all types of investors, including retail and institutional investors, short and long-term investors, and domestic and foreign investors.

In line with IR best practices, all investors are provided with the relevant corporate information as and when requested. Price sensitive information is always disclosed to Bursa Malaysia before being disclosed to any individual investor. As far as is practicable, all requests for investor meetings are completely fulfilled. In addition, the IR unit actively reaches out to overseas investors on a regular basis to meet with those who are not able to travel to Malaysia.

Following the COVID-19 global pandemic, private and small group investor meetings and regional investor conferences are now primarily conducted virtually, particularly with global investors who still face restrictions in international travel.

### 2) Building Trust and Credibility

A highly regarded and credible management team is one of the prerequisites for any investor. The Board recognises that trust and credibility can only be built up over time, and requires a long-term commitment to protecting investors' interests. As such, the Board takes all necessary steps to ensure that critical investor issues are addressed promptly, effectively and accurately so that investors are always kept abreast of corporate developments and have a broad and clear understanding of strategic issues.

### 3) Fostering High-Quality Relationships

High-quality relationships can only be nurtured by continuously engaging with the investment community, both through good times as well as during difficult periods. In this respect, the IR unit conducts regularly scheduled dialogue sessions with investors to provide corporate updates, explain the Group's strategic direction, outline business prospects, and clarify financial issues. Should circumstances require, unscheduled dialogue sessions are occasionally arranged to explain and clarify any major corporate developments. Through these dialogue sessions, valuable feedback on various issues is also often obtained from the investment community.

### 4) Maintaining Open and Honest Communication Channels

Given the cyclical nature of the Group's key business sectors, business prospects are not always necessarily positive. Given this reality, the Board believes in portraying an honest assessment of the Group's business prospects, even if prospects may not be particularly bright. In doing so, it is hoped that investors will obtain a realistic understanding of the business cycles and will be in a better position to make informed investment decisions.

## PROGRAMMES AND ACTIVITIES

A dedicated Investor Relations (IR) unit has been set up by the Board to implement effective IR programmes and activities in line with its IR policies. This unit is ultimately headed by the Group Managing Director, whilst the day-to-day activities are handled by the unit's Senior Group General Manager. Additional support is provided by various division heads when necessary.

As a proud founding member of the Malaysian Investor Relations Association (MIRA) several years ago, Gamuda today continues to actively support MIRA's IR objectives and activities as a Corporate Member.

## INVESTOR RELATIONS ACTIVITIES

FY2021 was a year dominated by the pandemic. Activities and operations were heavily disrupted by various forms of lockdowns and movement control orders. Throughout the year, project sites and property activities were subject to several stop-work orders, often for long durations. Our offices were totally shut for several months during this financial year, with most employees instructed to work-from-home. On the political front, the Government declared an Emergency early in the year in order to control the pandemic.

The vaccination drive, which started in the first quarter, gathered momentum in the second quarter and coincided with the tail end of our financial year. Fortunately, the rate of vaccination in the country was among the fastest globally, which resulted in the target of vaccinating 80 percent of the adult population being achieved a few months ahead of schedule.

The COVID-19 pandemic has forced major changes in all areas of everyday life. Now in its second year, working from home (WFH) has become a norm for the country, whilst face-to-face meetings,

## INVESTOR RELATIONS

events and conferences have now gone fully virtual. IR activities too have incorporated the new norms. Investor conferences and quarterly investor briefings have gone fully virtual for the second year running, and there is every indication that this will continue even after the pandemic ends.

The following is a summary of all IR activities during FY2021. Large group events such as investor conferences, investor briefings and group meetings have been carried out virtually since 2020.

Type of Event	Investment Centre	No. of Meetings
Investor Conferences	Kuala Lumpur (virtual)	9
Investor Briefings	Kuala Lumpur (virtual)	4
Project Site Visits	Kuala Lumpur	nil
Teleconference Calls	Various	16
Private Meetings	Various	12

### Key Investor Relations Issues

Investors continued to focus primarily on the Group's construction order book pipeline, particularly on the implementation timelines of MRT3 (also known as MRT Circle Line), Penang South Islands (PSI) and the ongoing tenders in Australia.

The PSI project structure was changed from a Project Delivery Partner (PDP) model to a Project Development Model using a Private Funding Initiative (PFI) structure. However, the project was dealt a setback when a court ruled in favour of a legal challenge to the project mounted by some fishermen. As a result, this project is likely to see a delay of up to eight months, whilst a fresh submission is made to the Department of Environment for approval.

In Australia, despite some initial setbacks in tender outcomes, the Group remains highly optimistic that its efforts to break into this market will eventually yield results. The Australian Government plans to invest AUD110 billion over the next 10 years in transport infrastructure development, of which a substantial portion will be allocated for road and rail projects. The Group has identified several upcoming projects which matches our core engineering expertise, and we intend to seek out suitable joint venture partners to bid for these projects. We expect the Australian market to contribute about half of the Group's new order book in the coming years.

On MRT3, there were some significant announcements made by the project owner, MRT Corp, in the second quarter of this calendar year, regarding implementation timelines and funding plans. However,

political issues once again took the centre stage towards the middle of the year when there were doubts over the level of parliamentary support for the Prime Minister. Eventually, the Prime Minister resigned, and a new Prime Minister and Cabinet were installed. These developments, however, delayed the implementation timeline by several months.

The property division garnered minimal interest from investors over the financial year due to the pandemic, which likely pushed back any prospect of a sector recovery. Investors were somewhat encouraged by the strength of our overseas properties, which counterbalanced the weak performance of the domestic sector.

With frequent lockdowns occurring during the year, investors were also interested to learn how the Group was coping with the disruptions, as well as the measures adopted to prevent the spread of COVID-19. With the onset of the vaccination programme, investors were also keen to track the vaccination progress across the Group.

Environmental, social and governance (ESG) issues also became increasingly important to investors in line with global trends. To address ESG issues, our Sustainability team was roped into our quarterly briefings to provide regular updates. Following the recent launch of our ESG roadmap, the Gamuda Green Plan 2025, investors are now kept fully informed and regularly updated on our targets and achievements.

### Electronic Communication

Broader investor communication also takes place via our corporate website at [www.gamuda.com.my](http://www.gamuda.com.my) as well as through the Annual Report, Annual General Meeting (AGM) and Extraordinary General Meeting (EGM).

There is a wealth of information online. All announcements made to Bursa Malaysia are updated on our corporate website as soon as practicable. In addition, slides and notes from the quarterly investor briefings are also uploaded on our website for the benefit of shareholders unable to attend these briefings.

### Annual General Meeting

In line with the new practices, the Group's AGM will once again be held virtually this year. The Board seeks to encourage shareholder attendance at its virtual AGM. The Chairmen of the Audit, Remuneration and Nomination Committees, together with other Directors, will usually attend the AGM. Shareholders are encouraged to raise any pertinent issues at the meeting.

## BONDS AND CREDIT RATINGS

### Gamuda Berhad

**RATING : AA3/STABLE/P1**  
**OUTLOOK : STABLE**

- RM800 million Islamic Medium-Term Notes Programme (2013/2038).
- RM800 million Islamic Medium-Term Notes Programme (2008/2028).
- RM5 billion Islamic Medium-Term Notes Programme (2015/2045) and RM2 billion Islamic Commercial Papers Programme (2015/2022) with a combined limit of RM5 billion.



Photo: Gamuda Cove

### Bandar Serai Development Sdn Bhd (Gamuda Gardens)

**RATING : AA3/STABLE/P1**  
**OUTLOOK : STABLE**

- RM1 billion Islamic Medium-Term Notes Programme (2014/2044) and RM500 million Islamic Commercial Papers Programme (2014/2021) with a combined limit of RM1 billion.

### Kesas Sdn Bhd (KESAS)

**RATING : AA2/STABLE**  
**OUTLOOK : STABLE**

- RM735 million Islamic Medium-Term Notes Facility ("Sukuk Musharakah") (2014/2023).

### Lingkar Trans Kota Sdn Bhd (LITRAK)

**RATING : AA2/STABLE**  
**OUTLOOK : STABLE**

- RM1.15 billion Islamic Medium-Term Notes I Facility ("Sukuk Musharakah") (2008/2023).
- RM300 million Islamic Medium-Term Notes II Facility ("Sukuk Musharakah") (2008/2023).

### Gamuda Land (T12) Sdn Bhd (Gamuda Cove)

**RATING : AA3/STABLE/P1**  
**OUTLOOK : STABLE**

- RM2 billion Islamic Medium-Term Notes Programme (2020/2050).
- RM500 million Islamic Commercial Papers Programme (2020/2027).

### Projek Smart Holdings Sdn Bhd (SMART)

**RATING : A1/STABLE**  
**OUTLOOK : STABLE**

- RM330 million Islamic Medium-Term Notes Facility ("Sukuk Musharakah") (2015/2032).