



Mudajaya Group Berhad

Registration No. 200301003119 (605539-H)
(Incorporated in Malaysia)

**Interim Financial Report
31 March 2021**



MUDAJAYA GROUP BERHAD
(Incorporated in Malaysia – 200301003119)(605539-H)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-20 RM'000	CURRENT YEAR TO DATE 31-MAR-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-MAR-20 RM'000
Revenue	74,627	86,922	74,627	86,922
Operating expenses	(58,572)	(68,462)	(58,572)	(68,462)
Profit from operations	16,055	18,460	16,055	18,460
Interest income	933	2,263	933	2,263
Other income	713	718	713	718
Foreign exchange loss	(7,881)	(11,376)	(7,881)	(11,376)
Fair value gain on derivative	7,351	9,068	7,351	9,068
Depreciation and amortization	(6,545)	(6,970)	(6,545)	(6,970)
Gain on disposal of property, plant and equipment	-	23	-	23
ESOS expenses	(31)	(98)	(31)	(98)
Net loss on impairment of financial instruments	(257)	(623)	(257)	(623)
Interest expense	(11,854)	(13,382)	(11,854)	(13,382)
Share of results of associates, net of tax	11,625	(2,798)	11,625	(2,798)
Impairment loss on investment in an associate	(11,232)	-	(11,232)	-
Loss before tax	(1,123)	(4,715)	(1,123)	(4,715)
Income tax expense	(1,142)	(827)	(1,142)	(827)
Loss after tax	(2,265)	(5,542)	(2,265)	(5,542)
Other comprehensive expenses:				
Foreign currency translation differences	(628)	(923)	(628)	(923)
Total comprehensive expense	(2,893)	(6,465)	(2,893)	(6,465)



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-20 RM'000	CURRENT YEAR TO DATE 31-MAR-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-MAR-20 RM'000
(Loss)/Profit attributable to:				
Owners of the Company	(2,983)	(6,340)	(2,983)	(6,340)
Non-controlling interest	718	798	718	798
	<u>(2,265)</u>	<u>(5,542)</u>	<u>(2,265)</u>	<u>(5,542)</u>
Total comprehensive income/ (expense) attributable to:				
Owners of the Company	(3,594)	(6,340)	(3,594)	(6,340)
Non-controlling interest	701	798	701	798
	<u>(2,893)</u>	<u>(5,542)</u>	<u>(2,893)</u>	<u>(5,542)</u>
Loss per share attributable to equity holders of the Company:				
Basic and diluted loss per share (sen)	(0.48)	(1.07)	(0.48)	(1.07)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020.

The basic and diluted loss per ordinary shares for both current and corresponding periods were calculated based on the weighted average number of ordinary shares of 622,646,000 and 589,875,000 respectively.



MUDAJAYA GROUP BERHAD
(Incorporated in Malaysia – 200301003119)(605539-H)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 MARCH 2021** (The figures have not been audited)

	AS AT 31-MAR-21 RM'000	AS AT 31-DEC-20 RM'000
Assets		
Property, plant and equipment	27,098	26,695
Right of use assets	42,728	44,735
Investment properties	51,517	51,718
Intangible asset	8,518	8,673
Service concession assets	298,476	302,622
Investment in associates	10,088	9,695
Other investments	936	936
Deferred tax asset	2,066	2,066
Total non-current assets	441,427	447,140
Inventories	126,856	130,172
Other current assets	152,361	152,361
Contract assets	62,140	51,476
Trade and other receivables	128,068	136,401
Tax recoverable	2,994	3,047
Derivative financial assets	4,537	-
Cash and bank balances	304,443	311,200
Total current assets	781,399	784,657
Total assets	1,222,826	1,231,797
Equity		
Share capital	397,730	397,730
Employees' share option reserve	10,309	10,278
Foreign currency translation reserve	2,255	2,866
Accumulated losses	(300,053)	(297,070)
Equity attributable to owners of the Company	110,241	113,804
Non-controlling interests	36,671	35,970
Total equity	146,912	149,774
Liabilities		
Loans and borrowings	310,177	445,290
Lease liabilities	44,210	44,508
Refundable deposits	2,072	2,204
Deferred tax liabilities	10,125	10,125
Total non-current liabilities	366,584	502,127
Loans and borrowings	528,781	399,615
Lease liabilities	1,395	1,752
Trade and other payables	171,368	167,018
Contract liabilities	3,187	3,759
Tax liabilities	4,599	4,938
Derivative financial liabilities	-	2,814
Total current liabilities	709,330	579,896
Total liabilities	1,075,914	1,082,023
Total equity and liabilities	1,222,826	1,231,797
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.17	0.18

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020.

The Net Assets Per Share for both current and corresponding periods have been calculated based on 648,862,166 ordinary shares.



MUDAJAYA GROUP BERHAD
(Incorporated in Malaysia – 200301003119)(605539-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2021
(The figures have not been audited)

	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Employees' share option reserve RM'000	Foreign currency translation reserve RM'000	Accumulated losses RM'000			
At 1 January 2021	397,730	-	10,278	2,866	(297,070)	113,804	35,970	179,841
Foreign currency translation differences for foreign operations (Loss)/Profit for the period	-	-	-	(611)	-	(611)	(17)	(628)
Total comprehensive (expense)/income	-	-	-	(611)	(2,983)	(3,594)	701	(2,893)
Contribution by and distributions to owners of the Company								
Share-based payment transaction	-	-	31	-	-	31	-	31
Grant of equity-settled share options to employees	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	31	-	-	31	-	31
At 31 March 2021	397,730	-	10,309	2,866	(300,053)	110,241	36,671	146,912



MUDAJAYA GROUP BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)
(The figures have not been audited)

	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	← Non-distributable			→ Distributable				
	Share capital RM'000	Treasury shares RM'000	Employees' share option reserve RM'000	Foreign currency translation reserve RM'000	Accumulated losses RM'000			
At 1 January 2020	393,172	(36,075)	10,065	2,537	(222,785)	146,914	32,927	179,841
Foreign currency translation differences for foreign operations	-	-	-	2,892	-	2,892	(3,815)	(923)
(Loss)/Profit for the period	-	-	-	-	(6,340)	(6,340)	798	(5,542)
Total comprehensive income/(expense)	-	-	-	2,892	(6,340)	(3,448)	(3,017)	(6,465)
Contribution by and distributions to owners of the Company								
Share-based payment transaction	-	-	98	-	-	98	-	98
Total transactions with owners of the Company	-	-	98	-	-	98	-	98
At 31 March 2020	393,172	(36,075)	10,163	5,429	(229,125)	143,564	29,910	173,474



MUDAJAYA GROUP BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

(The figures have not been audited)

	YEAR ENDED	
	31-MAR-21	31-MAR-20
	RM'000	RM'000
Cash flows from operating activities		
Loss before tax	(1,123)	(4,715)
<i>Adjustments for:</i>		
Amortisation of intangible asset	155	155
Amortisation of service concession assets	4,150	3,890
Depreciation of investment properties	265	262
Depreciation of property, plant and equipment	1,192	1,137
Depreciation of right-of-use assets	783	1,526
ESOS expenses	31	98
Fair value gain on derivative	(7,351)	(9,068)
Gain on disposal of property, plant and equipment	-	(23)
Impairment loss of trade and other receivables	257	623
Interest income	(933)	(2,263)
Interest expense	11,854	13,382
Share of (profit)/loss of equity accounted associates	(11,625)	2,798
Impairment loss on investment in an associate	11,232	-
Net unrealised loss on foreign exchange	7,881	11,376
Operating profit before changes in working capital	16,768	19,178
Change in inventories	3,316	1,941
Change in contract assets	(10,664)	43,849
Change in trade and other receivables	13,161	24,732
Change in trade and other payables	4,350	(10,245)
Change in refundable deposits	(132)	-
Change in contract liabilities	(572)	(8,419)
Cash generated from operations	26,227	71,036
Tax paid	(1,428)	(3,818)
Tax refunded	-	2
Net cash generated from operating activities	24,799	67,220



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

(The figures have not been audited)

	YEAR ENDED	
	31-MAR-21	31-MAR-20
	RM'000	RM'000
Cash flows from investing activities		
Additional expenditure in an investment property	(35)	-
Addition in service concession assets	(4)	(113)
(Advance to)/Repayment from associates	(431)	473
Interest received	933	2,263
Purchase of property, plant and equipment	(400)	(76)
Proceeds from disposal of property, plant and equipment	-	23
Change in pledged deposits	6,632	(5,975)
Net cash generated from/(used in) investing activities	<u>6,695</u>	<u>(3,405)</u>
Cash flows from financing activities		
Interest paid	(11,854)	(12,748)
Payment of lease liabilities	(655)	(2,207)
Net repayment of loan and borrowings	(19,110)	(25,145)
Net cash used in financing activities	<u>(31,619)</u>	<u>(40,100)</u>
Net (decrease)/increase in cash and cash equivalents	(125)	23,715
Cash and cash equivalents as at the beginning of the period	<u>59,935</u>	<u>53,650</u>
Cash and cash equivalents as at the end of the period	<u>59,810</u>	<u>77,365</u>
Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:		
Cash and bank balances	35,118	34,304
Deposits placed with financial institutions	269,325	297,261
	<u>304,443</u>	<u>331,565</u>
Less:		
Pledged deposits	(244,633)	(254,200)
	<u>59,810</u>	<u>77,365</u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2020.



MUDAJAYA GROUP BERHAD
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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021

NOTES TO QUARTERLY REPORT

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 December 2020. The explanatory notes attached to the interim financial statements provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

R.K.M Powergen Private Limited (“RKM”), a 19.24% associate incorporated in India with its financial year ending in March, had its last financial statements audited up to 31 March 2020. The Group’s equity stake in RKM was reduced from 26% to 19.24% following the completion of the Master Debt Restructuring Agreement on 4 December 2020 by RKM and its lenders.

In equity accounting for the Group’s share of results in RKM for the period ended 31 March 2021, the Group relied on RKM’s audited accounts through 31 March 2020, that was finalised on 18 December 2020, and its unaudited management accounts for the period ended 31 March 2021.

Compliance with Malaysian Financial Reporting Standards and the Companies Act 2016

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and the requirements of the Companies Act 2016.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”):

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement, MFRS 7, Financial Instruments: Disclosures, MFRS 4, Insurance Contracts* and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16, *Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)*

The initial application of the accounting standards, amendments and interpretations are not expected to have any material impacts to the current financial period and prior period financial statements of the Group.

The amendments marked with * is not applicable to the Group.



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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the financial statements for the year ended 31 December 2020 was not subject to any qualification.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

4. EXCEPTIONAL OR EXTRAORDINARY ITEMS

There were no exceptional or extraordinary items for the current period.

5. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in the previous financial year that have a material effect in the current quarter.

6. DEBTS AND EQUITY SECURITIES

There were no new ordinary shares issued under the Employees' Share Option Scheme ("ESOS") for the current period ended 31 March 2021. As at 31 March 2021, a total of 4,102,000 new ordinary shares have been issued under the ESOS.



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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

7. DIVIDEND PAID

There were no dividends paid during the period under review.

8. SIGNIFICANT RELATED PARTY TRANSACTIONS

Below are the significant related party transactions, which have been established under negotiated terms and entered into in the normal course of business:

	YEAR ENDED 31-MAR-21 RM'000	YEAR ENDED 31-MAR-20 RM'000
Associates		
<i>PT Harmoni Energy Indonesia</i>		
Interest income	541	623
Secondment fee	67	94
	<hr/>	<hr/>
<i>Musyati Mudajaya JV Sdn Bhd</i>		
Project management fee	-	632
Secondment fee	32	32
Corporate guarantee fee	74	75
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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

9. SEGMENTAL INFORMATION

QUARTERLY AND YEAR-TO-DATE RESULTS:

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
3 MONTHS ENDED	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31-MAR-2021						
Revenue:						
External customers	48,134	5,195	11,597	9,701	-	74,627
Inter-segment	-	511	493	7,697	(8,701)	-
Total revenue	48,134	5,706	12,090	17,398	(8,701)	74,627
Results:						
Included in the measure of segment profit/(loss) are:						
(Loss)/Profit before tax	(1,924)	1,527	2,278	(4,976)	1,972	(1,123)
Interest income	92	39	738	64	-	933
Interest expenses	(3,280)	(34)	(4,107)	(4,433)	-	(11,854)
Depreciation and amortisation	(734)	(410)	(4,922)	(479)	-	(6,545)
Share of profit of associates	149	-	11,476	-	-	11,625
ESOS expenses	(31)	-	-	-	-	(31)
Income tax expenses	-	(465)	(4)	(673)	-	(1,142)
(Loss)/Profit after tax	(1,924)	1,062	2,274	(5,649)	1,972	(2,265)
Assets:						
Included in the measure of segment assets are:						
Investment in associates	4,703	-	5,385	-	-	10,088
Additions to non-current assets	115	309	4	11	-	439
Segment assets	494,621	228,148	451,548	701,267	(652,761)	1,222,826
Segment liabilities	464,323	95,760	411,951	343,616	(239,736)	1,075,914



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

9. SEGMENTAL INFORMATION (CONTINUED)

QUARTERLY AND YEAR-TO-DATE RESULTS: (CONTINUED)

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
3 MONTHS ENDED	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31-MAR-2020						
Revenue:						
External customers	57,361	4,167	13,126	12,268	-	86,922
Inter-segment	-	503	485	2,850	(3,838)	-
Total revenue	57,361	4,670	13,611	15,118	(3,838)	86,922
Results:						
Included in the measure of segment profit/(loss) are:						
(Loss)/Profit before tax	(4,265)	1,410	1,256	(3,116)	-	(4,715)
Interest income	322	39	1,007	895	-	2,263
Interest expenses	(4,147)	(53)	(4,382)	(4,800)	-	(13,382)
Depreciation and amortisation	(1,140)	(383)	(4,667)	(780)	-	(6,970)
Share of profit of associates	159	-	(2,957)	-	-	(2,798)
ESOS expenses	(98)	-	-	-	-	(98)
Income tax expenses	-	(442)	(44)	(341)	-	(827)
(Loss)/Profit after tax	(4,265)	968	1,212	(3,457)	-	(5,542)
Assets:						
Included in the measure of segment assets are:						
Investment in associates	5,041	-	-	-	-	5,041
Additions to non-current assets	13	52	124	-	-	189
Segment assets	536,045	233,340	471,529	736,597	(678,747)	1,298,764
Segment liabilities	480,512	103,839	437,713	363,378	(260,152)	1,125,290

^ Additions to non-current assets consist of property, plant and equipment, investment property and service concession assets.

The Group has no foreign operations which materially affected the results of the Group other than PT Harmoni Energy Indonesia (a 46% owned associate incorporated in Indonesia). The Group's investment in RKM had already been reduced to zero by 31 December 2019 as a result of the accumulated equity accounting for RKM's losses as explained in Note 1.



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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of property, plant and equipment is at cost less depreciation and impairment losses. There were no changes to the valuation of property, plant and equipment since the last audited financial statements.

11. SUBSEQUENT EVENTS

There were no material events subsequent to the current quarter.

12. CHANGES IN COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group during the current period under review.

13. CONTINGENT LIABILITIES

There were no contingent liabilities as at end of the current quarter.

14. STATUS OF CORPORATE PROPOSAL

On 24 March 2021, the Company announced that it proposed to undertake a renounceable rights issue of up to 668,885,366 new ordinary shares (“Rights Shares”) on the basis of 1 Rights Share for every 1 existing ordinary share held, together with up to 668,885,366 free detachable warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for at an issue price of RM0.22 for each Rights Share (“Proposal”). The proposal was approved by Bursa Malaysia Securities Berhad on 4 May 2021.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

15. REVIEW OF PERFORMANCE

	Individual Quarter			
	Current Year Quarter 31-MAR-2021 RM'000	Preceding Year Corresponding Quarter 31-MAR-2020 RM'000	Changes	
			RM'000	%
Revenue	74,627	86,922	(12,295)	(14)
Profit from operations	16,055	18,640	(2,585)	(14)
Profit before interest and tax	10,731	8,667	2,064	24
Loss before tax	(1,123)	(4,715)	3,592	76
Loss after tax	(2,265)	(5,542)	3,277	59
Loss attributable to owners of the Company	(2,983)	(6,340)	3,357	53

Please refer Note 9 - Segmental information for the results of the respective business segments

The Group reported revenue of RM74.6 million and loss before tax ("LBT") of RM1.1 million in current quarter as compared to revenue of RM86.9 million and LBT of RM4.7 million in the corresponding quarter of 2020. Lower revenue in the current quarter is mainly due to near completion of the MRT project. However, lower LBT in current quarter is mainly contributed by lower finance cost after the repayment of borrowings and share of profits of a 46% owned associate in Indonesia which is operating 2 x 7MW coal-fired power plants.

The performances of the respective business segments are as follow:

Construction segment: This segment reported revenue and LBT of RM48.1 million and RM1.9 million respectively in the current quarter as compared to revenue of RM57.4 million and LBT of RM4.2 million in the corresponding quarter of 2020. As mentioned above, lower revenue in current quarter is mainly due to near completion of the MRT project. Meanwhile, LBT is reduced in the current quarter mainly contributed by lower finance cost after the repayment of borrowings and lower operating costs in the current quarter.

Property segment: This segment reported revenue and PBT of RM5.2 million and RM1.5 million respectively in the current quarter as compared to RM4.1 million and PBT of RM1.4 million in the corresponding quarter of 2020. The improvement in the property segment in the current quarter resulted from the higher sales of completed properties in Batu Kawah New Township, Kuching.

Power segment: This segment reported revenue and PBT of RM11.6 million and RM2.3 million respectively in the current quarter as compared to revenue of RM13.1 million and PBT of RM1.3 million in the corresponding quarter of 2020. The revenue and PBT are driven by the sales of renewable energy in both the 49MW Solar Photovoltaic ("PV") power plant in Sungai Siput, Perak and the 10MW PV power plant in Gebeng, Pahang.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

15. REVIEW OF PERFORMANCE (CONTINUED)

QUARTERLY ANALYSIS: (CONTINUED)

Other segment: This segment comprises primarily the manufacturing, trading and investment divisions of the Group. This segment reported revenue and LBT of RM9.7 million and RM5.0 million respectively in the current quarter as compared to RM12.3 million and LBT of RM3.1 million in the corresponding quarter of 2020. The poorer performance in precast manufacturing is due mainly to lower deliveries of precast products and also impacted by the near completion of the MRT project in the current quarter.

16. COMPARISON WITH PRECEDING QUARTER'S REPORT

	Current Year Quarter	Immediate Preceding Quarter	Changes	
	31-MAR-2021	31-DEC-2020	RM'000	%
Revenue	74,627	125,542	(50,915)	(41)
Profit from operations	16,055	26,857	(10,802)	(40)
Profit/(Loss) before interest and tax	10,731	(21,417)	32,148	150
Loss before tax	(1,123)	(33,818)	32,695	97
Loss after tax	(2,265)	(35,101)	32,836	94
Loss attributable to owners of the Company	(2,983)	(35,626)	32,643	92

The Group reported a higher revenue and profit before interest and tax of RM74.6 million and RM10.7 million respectively in the current quarter as compared to revenue and loss before interest and tax of RM125.5 million and RM21.4 million respectively in the immediate preceding quarter. The Group's revenue declined in the current quarter mainly due to the near completion of the MRT project. Nevertheless, the Group's reported profit before interest and tax due to the one-off impairment on other current assets recognised in the immediate preceding quarter.



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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

17. PROSPECTS

Despite the slower economic growth in Malaysia exacerbated by the COVID-19 pandemic, the Group will continue to actively participate in open biddings for both public and private projects to replenish its order book, supported by the Group's experience and competitiveness in the construction sector. The Group's total order book is estimated at RM700 million, which provides earnings visibility for the next 24 months.

In terms of new business, the Group will continue to pursue investments both locally and overseas to build up its concession asset base with recurring income streams to cushion against the cyclical nature of the construction segment. The Group is keen to expand its footage in the renewable energy sector and will actively participate in upcoming large scale solar farm projects.

In December 2020, the Group successfully bid for a small hydro project in a competitive Feed-in Tariff e-bidding tender by the Government of Malaysia through the Sustainable Energy Development Authority Malaysia ("SEDA"). We are confident that this project will positively contribute to our future earnings for the Group in the renewable energy segment.

Premised on the above and barring any unforeseen circumstances, the Group is cautiously optimistic that the Group will be able to generate positive returns on the back of the Group's order book coupled with the interest cost savings upon the partial repayment of bank borrowings expected from the proceeds raised from the Proposed Rights Issue with Warrants.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

18. VARIANCE ON PROFIT FORECAST

The Company did not issue any profit forecast or profit guarantee during the current quarter under review.

19. INCOME TAX EXPENSE

	CURRENT QUARTER 31-MAR-21 RM'000	3 MONTHS ENDED 31-MAR-21 RM'000
Current income tax		
- Malaysian income tax	1,142	1,142

The current income tax is mainly recognised by property and trading and manufacturing segments. For the current quarter, the Group's effective tax rate is relatively higher than the Malaysian statutory rate of 24% due to these segments incurred certain expenses being non-deductible for tax purposes.

20. GROUP BORROWINGS AND DEBT SECURITIES

i. Details of the Group's borrowings are as follow:

As at 31 MARCH 2021				
	Interest rate	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured				
Revolving credits	Floating	-	124,954	124,954
Invoice financing	Floating	-	2,008	2,008
Term loan denominated in USD (USD50 million)	Fixed	-	207,563	207,563
Term loan denominated in RM Green SRI Sukuk Wakalah	Fixed/Floating	12,151	6,183	18,334
	Fixed	215,000	15,000	230,000
		<u>227,151</u>	<u>355,708</u>	<u>582,859</u>
Unsecured				
Revolving credits	Floating	-	4,000	4,000
Bankers' acceptance	Floating	-	3,023	3,023
Term loan denominated in USD (USD20 million)	Fixed	-	83,025	83,025
Euro Medium Term Notes ("EMTN") denominated in USD (USD40 million)	Fixed	-	166,051	166,051
		<u>-</u>	<u>256,099</u>	<u>256,099</u>
Total Group's borrowings		<u>227,151</u>	<u>611,807</u>	<u>838,958</u>



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

21. GROUP BORROWINGS AND DEBT SECURITIES (CONTINUED)

i. Details of the Group's borrowings are as follow:

As at 31 MARCH 2020				
	Interest rate	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured				
Revolving credits	Floating	-	126,500	126,500
Invoice financing	Floating	-	3,425	3,425
Term loan denominated in USD (USD50 million)	Fixed	-	215,829	215,829
Term loan denominated in RM	Fixed/Floating	18,124	6,435	24,559
Green SRI Sukuk Wakalah	Fixed	230,000	10,000	240,000
		<u>248,124</u>	<u>361,189</u>	<u>609,313</u>
Unsecured				
Revolving credits	Floating	-	4,000	4,000
Bankers' acceptance	Floating	-	4,981	4,981
Term loan denominated in USD (USD20 million)	Fixed	-	86,331	86,331
Euro Medium Term Notes ("EMTN") denominated in USD (USD40 million)	Fixed	-	172,663	172,663
		<u>-</u>	<u>267,975</u>	<u>267,975</u>
Total Group's borrowings		<u>248,124</u>	<u>629,164</u>	<u>877,288</u>

- ii. Total borrowings reduced from RM844.9 million as at 31 December 2020 to RM839.0 million as at 31 March 2021 mainly due to the repayment of loans and other borrowings during the year under review after offsetting the unrealised loss arising from foreign currency borrowings.
- iii. Total repayment of borrowings during the period under review amounted to RM19.1 million with an estimated net interest savings of RM0.8 million per annum.
- iv. The weighted average interest rate of the Group's borrowings is 5.40% as at 31 March 2021.



MUDAJAYA GROUP BERHAD
(Incorporated in Malaysia – 200301003119)(605539-H)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

21. FINANCIAL RISK MANAGEMENT

The Group has exposure on credit risk from its receivables:

The Group's objective is to seek continual revenue growth while minimising losses incurred due to an increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers that wish to trade on credit terms are subject to its credit evaluation procedures and the exposure to credit risk is monitored on an ongoing basis.

Ageing analysis of trade receivables of the Group are as follows:

	AS AT 31-MAR-21 RM'000
Neither past due nor impaired	72,463
1 to 30 days past due but not impaired	8,329
31 to 60 days past due but not impaired	4,510
61 to 90 days past due but not impaired	39
91 to 120 days past due but not impaired	13
More than 120 days past due but not impaired	5,396
	90,750
Trade receivables that are impaired	<u>(5,057)</u>
	<u>85,693</u>

Trade receivables are non-interest bearing and generally on 30 days to 90 days terms to third party and 30 days terms to related parties.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (CONTINUED)

NOTES TO QUARTERLY REPORT (CONTINUED)

22. CHANGES IN MATERIAL LITIGATION

There were no material litigation against the Group as at the reporting date.

23. DIVIDEND

There were no dividend declared during the period ended 31 March 2021.

24. BASIC EARNINGS PER SHARE

The 'Basic and Diluted loss per share' for the current period and the comparative year are calculated by dividing the loss for the period/year attributable to owners of the Company by the 'Weighted Average' number of ordinary shares in issue during the period/year respectively, excluding treasury shares held by the Company.

	CURRENT QUARTER 31-MAR-21	3 MONTHS ENDED 31-MAR-21
<u>Basic and Diluted loss per share:-</u>		
Loss for the periods attributable to owners of the Company (RM'000)	<u>(2,983)</u>	<u>(2,983)</u>
Weighted average number of ordinary shares ('000)	622,646	622,646
Basic and diluted loss per share (sen)	<u>(0.48)</u>	<u>(0.48)</u>