



**Mudajaya Group Berhad**

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

**Interim Financial Report  
30 June 2021**



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2021** (The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUN-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUN-20 RM'000	CURRENT YEAR TO DATE 30-JUN-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-JUN-20 RM'000
Revenue	62,011	47,104	136,638	134,026
Operating expenses	(49,317)	(35,359)	(107,889)	(103,821)
Profit from operations	12,694	11,745	28,749	30,205
Interest income	937	1,783	1,870	4,046
Other income	667	1,020	1,380	1,738
Foreign exchange (loss)/gain	(176)	1,583	(8,057)	(9,793)
Fair value gain on derivative	199	110	7,550	9,178
Depreciation and amortization	(6,460)	(7,122)	(13,005)	(14,092)
Gain on disposal of property, plant and equipment	-	-	-	23
ESOS expenses	(30)	(99)	(61)	(197)
Net loss on impairment of financial instruments	(538)	(611)	(795)	(1,234)
Interest expense	(11,898)	(13,061)	(23,752)	(26,443)
Share of results of associates, net of tax	501	3,101	12,126	303
Reversal of/(Allowance for) impairment loss on investment in an associate	2,077	-	(9,155)	-
Loss before tax	(2,027)	(1,551)	(3,150)	(6,266)
Income tax expense	(658)	(296)	(1,800)	(1,123)
Loss after tax	(2,685)	(1,847)	(4,950)	(7,389)
<b>Other comprehensive expenses:</b>				
Foreign currency translation differences	(55)	(192)	(683)	(1,115)
Total comprehensive expense	(2,740)	(2,039)	(5,633)	(8,504)



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUN-21 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUN-20 RM'000	CURRENT YEAR TO DATE 30-JUN-21 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-JUN-20 RM'000
<b>(Loss)/Profit attributable to:</b>				
Owners of the Company	(3,291)	(2,373)	(6,274)	(8,713)
Non-controlling interest	606	526	1,324	1,324
	<u>(2,685)</u>	<u>(1,847)</u>	<u>(4,950)</u>	<u>(7,389)</u>
<b>Total comprehensive (expense)/ income attributable to:</b>				
Owners of the Company	(3,346)	(6,352)	(6,940)	(9,800)
Non-controlling interest	606	4,313	1,307	1,296
	<u>(2,740)</u>	<u>(2,039)</u>	<u>(5,633)</u>	<u>(8,504)</u>
<b>Loss per share attributable to equity holders of the Company:</b>				
Basic and diluted loss per share (sen)	(0.53)	(0.41)	(1.01)	(1.48)

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  
30 JUNE 2021** (The figures have not been audited)

	<b>AS AT 30-JUN-21 RM'000</b>	<b>AS AT 31-DEC-20 RM'000</b>
<b>Assets</b>		
Property, plant and equipment	26,320	26,695
Right of use assets	41,737	44,735
Investment properties	51,290	51,718
Intangible asset	8,363	8,673
Service concession assets	293,494	302,622
Investment in associates	12,666	9,695
Other investments	936	936
Deferred tax asset	2,066	2,066
<b>Total non-current assets</b>	<b>436,872</b>	<b>447,140</b>
Inventories	123,814	130,172
Other current assets	152,361	152,361
Contract assets	25,080	51,476
Trade and other receivables	201,992	136,401
Tax recoverable	3,102	3,047
Derivative financial assets	4,736	-
Cash and bank balances	282,906	311,200
<b>Total current assets</b>	<b>793,991</b>	<b>784,657</b>
<b>Total assets</b>	<b>1,230,863</b>	<b>1,231,797</b>
<b>Equity</b>		
Share capital	397,730	397,730
Employees' share option reserve	10,339	10,278
Foreign currency translation reserve	2,200	2,866
Accumulated losses	(303,344)	(297,070)
<b>Equity attributable to owners of the Company</b>	<b>106,925</b>	<b>113,804</b>
Non-controlling interests	31,577	35,970
<b>Total equity</b>	<b>138,502</b>	<b>149,774</b>
<b>Liabilities</b>		
Loans and borrowings	308,685	445,290
Lease liabilities	43,890	44,508
Refundable deposits	2,146	2,204
Deferred tax liabilities	10,125	10,125
<b>Total non-current liabilities</b>	<b>364,846</b>	<b>502,127</b>
Loans and borrowings	530,119	399,615
Lease liabilities	1,313	1,752
Trade and other payables	158,920	167,018
Contract liabilities	33,311	3,759
Tax liabilities	3,852	4,938
Derivative financial liabilities	-	2,814
<b>Total current liabilities</b>	<b>727,515</b>	<b>579,896</b>
<b>Total liabilities</b>	<b>1,092,361</b>	<b>1,082,023</b>
<b>Total equity and liabilities</b>	<b>1,230,863</b>	<b>1,231,797</b>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>	<b>0.16</b>	<b>0.18</b>

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**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 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			
<b>At 1 January 2021</b>	397,730	-	10,278	2,866	(297,070)	113,804	35,970	149,774
Foreign currency translation differences for foreign operations (Loss)/Profit for the period	-	-	-	(666)	-	(666)	(17)	(683)
<b>Total comprehensive (expense)/income</b>	-	-	-	(666)	(6,274)	(6,940)	1,324	(4,950)
<b>Contribution by and distributions to owners of the Company</b>	-	-	-	(666)	(6,274)	(6,940)	1,307	(5,633)
Dividends to non-controlling interests	-	-	-	-	-	-	(5,700)	(5,700)
Share-based payment transaction	-	-	61	-	-	61	-	61
<b>Total transactions with owners of the Company</b>	-	-	61	-	-	61	-	(5,639)
<b>At 30 June 2021</b>	<b>397,730</b>	<b>-</b>	<b>10,339</b>	<b>2,200</b>	<b>(303,344)</b>	<b>106,925</b>	<b>31,577</b>	<b>138,502</b>



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 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			
<b>At 1 January 2020</b>	393,172	(36,075)	10,065	2,537	(222,785)	146,914	32,927	179,841
Foreign currency translation differences for foreign operations	-	-	-	(1,087)	-	(1,087)	(28)	(1,115)
(Loss)/Profit for the period	-	-	-	-	(8,713)	(8,713)	1,324	(7,389)
<b>Total comprehensive expense</b>	-	-	-	(1,087)	(8,713)	(9,800)	1,296	(8,504)
<b>Contribution by and distributions to owners of the Company</b>								
Share-based payment transaction	-	-	197	-	-	197	-	197
<b>Total transactions with owners of the Company</b>	-	-	197	-	-	197	-	197
<b>At 30 June 2020</b>	<b>393,172</b>	<b>(36,075)</b>	<b>10,262</b>	<b>1,450</b>	<b>(231,498)</b>	<b>137,311</b>	<b>34,223</b>	<b>171,534</b>



**MUDAJAYA GROUP BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2021**

(The figures have not been audited)

	<b>6 MONTHS ENDED</b>	
	<b>30-JUN-21</b>	<b>30-JUN-20</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(3,150)	(6,266)
<i>Adjustments for:</i>		
Amortisation of intangible asset	310	310
Amortisation of service concession assets	8,331	8,051
Depreciation of investment properties	530	523
Depreciation of property, plant and equipment	2,404	2,729
Depreciation of right-of-use assets	1,431	2,479
ESOS expenses	61	197
Fair value gain on derivative	(7,550)	(9,178)
Gain on disposal of property, plant and equipment	-	(23)
Impairment loss of trade and other receivables	794	1,234
Interest income	(1,870)	(4,046)
Interest expense	23,752	26,443
Share of profit of equity accounted associates	(12,126)	(303)
Impairment loss on investment in an associate	9,155	-
Net unrealised loss on foreign exchange	8,057	9,793
<b>Operating profit before changes in working capital</b>	<b>30,129</b>	<b>31,943</b>
Change in inventories	6,358	2,416
Change in contract assets	26,396	36,618
Change in trade and other receivables	(61,349)	46,326
Change in trade and other payables	(8,098)	(26,896)
Change in refundable deposits	(58)	-
Change in contract liabilities	29,552	(2,939)
Cash generated from operations	22,930	87,468
Tax paid	(2,941)	(4,647)
Tax refunded	-	2
<b>Net cash generated from operating activities</b>	<b>19,989</b>	<b>82,823</b>



**MUDAJAYA GROUP BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

(The figures have not been audited)

	<b>6 MONTHS ENDED</b>	
	<b>30-JUN-21</b>	<b>30-JUN-20</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Additional expenditure in an investment property	(39)	-
Addition in service concession assets	(10)	(127)
GST refunded on service concession assets	807	-
(Advance to)/Repayment from associates	(244)	1,109
Interest received	1,870	4,046
Purchase of property, plant and equipment	(525)	(388)
Proceeds from disposal of property, plant and equipment	-	23
Dividend paid to non-controlling interest	(5,700)	-
Change in pledged deposits	(1,253)	(13,622)
<b>Net cash used in investing activities</b>	<b>(5,094)</b>	<b>(8,959)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(23,752)	(25,175)
Net repayment of loan and borrowings	(19,633)	(26,178)
Repayment for lease liabilities	(1,057)	(4,159)
<b>Net cash used in financing activities</b>	<b>(44,442)</b>	<b>(55,512)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(29,547)</b>	<b>18,352</b>
<b>Cash and cash equivalents as at the beginning of the period</b>	<b>59,935</b>	<b>53,650</b>
<b>Cash and cash equivalents as at the end of the period</b>	<b>30,388</b>	<b>72,002</b>
Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:		
Cash and bank balances	25,788	41,790
Deposits placed with financial institutions	257,118	292,059
	282,906	333,849
Less:		
Pledged deposits	(252,518)	(261,847)
	30,388	72,002

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.





**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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* issued by Malaysia Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Main Market 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 significant accounting policies and methods applied in the interim financial statements are consistent with those adopted for the Group’s audited financial statements for the financial year ended 31 December 2020 except for the adoption of the following:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 June 2020***

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions*

***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 adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group.

The following are accounting standards, amendments and interpretations that have been issued by the MASB but not yet effective:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)* \*\*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)* \*\*



**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**1. BASIS OF PREPARATION (CONTINUED)**

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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

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

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 audit of RKM's accounts for the financial year ended 31 March 2021 has not yet been completed. Consequently, in equity accounting for the Group's share of results in RKM for the six months period ended 30 June 2021, the Group relied on RKM's unaudited management accounts through this period. RKM recorded a profit of RM47.6 million for this period in its management accounts; accordingly, the Group's share of RKM's profit amounted to RM9.2 million for the six months ended 30 June 2021 as follows:

	<b>2021</b>	<b>2020</b>
<b>Share of RKM's profit/(loss) for quarter ended:</b>	RM'000	RM'000
31 March	11,232	(44,716)
30 June	(2,077)	(21,668)
<b>Total</b>	<b>9,155</b>	<b>(66,384)*</b>

\* The equity accounting of RKM losses made in the financial year 2020 were adjusted to the extent of impairment provisions that were available to be reversed simultaneously, as such the carrying amount of investment in RKM in the Group's books remained nil at 30 June 2020.

However, in view of the uncertainty of RKM's financial performance and as its 2021 annual audit has not yet been completed, the Board has considered it prudent to defer recognition of the interim unaudited share of profit until the completion of the audit. Consequently, the carrying value of investment in RKM in the Group's books remained nil as at 30 June 2021.



**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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 30 June 2021. As at 30 June 2021, a total of 4,102,000 new ordinary shares have been issued under the ESOS.

**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:

	<b>6 MONTHS ENDED 30-JUN-21 RM'000</b>	<b>6 MONTHS ENDED 30-JUN-20 RM'000</b>
<b>Associates</b>		
<i>PT Harmoni Energy Indonesia</i>		
Interest income	1,078	1,235
Secondment fee	129	199
<i>Musyati Mudajaya JV Sdn Bhd</i>		
Project management fee	105	1,264
Secondment fee	65	65
Corporate guarantee fee	148	149



**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**9. SEGMENTAL INFORMATION**

**QUARTERLY RESULTS:**

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
Q2 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External customers	39,284	6,645	11,380	4,702	-	62,011
Inter-segment	-	504	495	5,226	(6,225)	-
<b>Total revenue</b>	<b>39,284</b>	<b>7,149</b>	<b>11,875</b>	<b>9,928</b>	<b>(6,225)</b>	<b>62,011</b>

**Results:**

**Included in the measure of segment profit/(loss) are:**

(Loss)/Profit before tax	(2,372)	1,443	3,554	(4,726)	74	(2,027)
Interest income	112	29	755	41	-	937
Interest expenses	(3,271)	(34)	(4,045)	(4,548)	-	(11,898)
Depreciation and amortisation	(653)	(404)	(4,953)	(450)	-	(6,460)
Share of profit of associates	226	-	275	-	-	501
ESOS expenses	(30)	-	-	-	-	(30)
Income tax expenses	-	(406)	(20)	(232)	-	(658)
(Loss)/Profit after tax	(2,372)	1,037	3,534	(4,958)	74	(2,685)

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
Q2 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External customers	27,050	3,504	11,301	5,249	-	47,104
Inter-segment	-	512	477	534	(1,523)	-
<b>Total revenue</b>	<b>27,050</b>	<b>4,016</b>	<b>11,778</b>	<b>5,783</b>	<b>(1,523)</b>	<b>47,104</b>

**Results:**

**Included in the measure of segment profit/(loss) are:**

(Loss)/Profit before tax	(2,227)	943	5,208	(5,445)	(30)	(1,551)
Interest income	486	26	895	376	-	1,783
Interest expenses	(3,927)	(41)	(4,301)	(4,792)	-	(13,061)
Depreciation and amortisation	(1,057)	(384)	(4,937)	(744)	-	(7,122)
Share of (loss)/profit of associates	(106)	-	3,207	-	-	3,101
ESOS expenses	(99)	-	-	-	-	(99)
Income tax expenses	-	(289)	(51)	44	-	(296)
(Loss)/Profit after tax	(2,227)	654	5,157	(5,401)	(30)	(1,847)



**MUDAJAYA GROUP BERHAD**  
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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**9. SEGMENTAL INFORMATION (CONTINUED)**

**YEAR-TO-DATE RESULTS:**

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
6 MONTHS ENDED 30-JUN-2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External customers	87,418	11,840	22,977	14,403	-	136,638
Inter-segment	-	1,015	988	12,923	(14,926)	-
<b>Total revenue</b>	<b>87,418</b>	<b>12,855</b>	<b>23,965</b>	<b>27,326</b>	<b>(14,926)</b>	<b>136,638</b>
<b>Results:</b>						
<b>Included in the measure of segment profit/(loss) are:</b>						
(Loss)/Profit before tax	(4,296)	2,970	5,832	(9,702)	2,046	(3,150)
Interest income	204	68	1,493	105	-	1,870
Interest expenses	(6,551)	(68)	(8,152)	(8,981)	-	(23,752)
Depreciation and amortisation	(1,387)	(814)	(9,875)	(929)	-	(13,005)
Share of profit of associates	375	-	11,751	-	-	12,126
ESOS expenses	(61)	-	-	-	-	(61)
Income tax expenses	-	(871)	(24)	(905)	-	(1,800)
(Loss)/Profit after tax	(4,296)	2,099	5,808	(10,607)	2,046	(4,950)
<b>Assets:</b>						
<b>Included in the measure of segment assets are:</b>						
Investment in associates	5,610	-	7,056	-	-	12,666
Additions to non-current assets	123	404	36	11	-	574
<b>Segment assets</b>	<b>521,153</b>	<b>211,821</b>	<b>453,659</b>	<b>689,586</b>	<b>(645,356)</b>	<b>1,230,863</b>
<b>Segment liabilities</b>	<b>486,083</b>	<b>92,991</b>	<b>412,092</b>	<b>360,526</b>	<b>(259,331)</b>	<b>1,092,361</b>



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

**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**9. SEGMENTAL INFORMATION (CONTINUED)**

**YEAR-TO-DATE RESULTS: (CONTINUED)**

	Construction contracts	Property	Power	Trading, manufacturing and others	Adjustments and eliminations	Total
6 MONTHS ENDED 30-JUN-2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External customers	84,411	7,671	24,427	17,517	-	134,026
Inter-segment	-	1,015	962	3,384	(5,361)	-
<b>Total revenue</b>	<b>84,411</b>	<b>8,686</b>	<b>25,389</b>	<b>20,901</b>	<b>(5,361)</b>	<b>134,026</b>
<b>Results:</b>						
<b>Included in the measure of segment profit/(loss) are:</b>						
(Loss)/Profit before tax	(6,492)	2,353	6,464	(8,561)	(30)	(6,266)
Interest income	808	65	1,902	1,271	-	4,046
Interest expenses	(8,074)	(94)	(8,683)	(9,592)	-	(26,443)
Depreciation and amortisation	(2,197)	(767)	(9,604)	(1,524)	-	(14,092)
Share of profit of associates	53	-	250	-	-	303
ESOS expenses	(197)	-	-	-	-	(197)
Income tax expenses	-	(731)	(95)	(297)	-	(1,123)
(Loss)/Profit after tax	<b>(6,492)</b>	<b>1,622</b>	<b>6,369</b>	<b>(8,858)</b>	<b>(30)</b>	<b>(7,389)</b>
<b>Assets:</b>						
<b>Included in the measure of segment assets are:</b>						
Investment in associates	4,934	-	3,208	-	-	8,142
Additions to non-current assets	43	113	138	221	-	515
<b>Segment assets</b>	<b>512,449</b>	<b>234,479</b>	<b>477,441</b>	<b>722,377</b>	<b>(668,635)</b>	<b>1,278,111</b>
<b>Segment liabilities</b>	<b>462,315</b>	<b>104,034</b>	<b>438,805</b>	<b>350,819</b>	<b>(249,396)</b>	<b>1,106,577</b>

^ 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 carrying value of investment in RKM in the Group's book remained nil as at 30 June 2021 as explained in Note 1.



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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 the shareholders at the Extraordinary General Meeting of the Company held on 29 June 2021. On 25 August 2021, the Company announced that the entitlement date of the Proposal has been fixed on 9 September 2021 at 5.00 p.m.



**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**15. REVIEW OF PERFORMANCE**

**QUARTERLY ANALYSIS:**

	Individual Quarter			
	Current Year Quarter 30-JUN-2021 RM'000	Preceding Year Corresponding Quarter 30-JUN-2020 RM'000	Changes	
			RM'000	%
Revenue	62,011	47,104	14,907	32
Profit from operations	12,694	11,745	949	8
Profit before interest and tax	9,871	11,510	(1,639)	(14)
Loss before tax	(2,027)	(1,551)	(476)	31
Loss after tax	(2,685)	(1,847)	(838)	45
Loss attributable to owners of the Company	(3,291)	(2,373)	(918)	39

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

The Group reported revenue of RM62.0 million and loss before tax ("LBT") of RM2.0 million in current quarter as compared to revenue of RM47.1 million and LBT of RM1.6 million in the corresponding quarter of 2020. Higher revenue in the current quarter is mainly contributed by the on-going construction projects. LBT in current quarter is higher as compared to the previous corresponding quarter mainly due to lower shares of profit from the associated companies coupled with foreign exchange loss due to strengthening of USD against RM in the current quarter.

The performances of the respective business segments are as follow:

**Construction segment:** This segment reported revenue and LBT of RM39.2 million and RM2.4 million respectively in the current quarter as compared to revenue of RM27.1 million and LBT of RM2.2 million in the corresponding quarter of 2020. As mentioned above, higher revenue in the current quarter is mainly contributed by the on-going construction projects.

**Property segment:** This segment reported revenue and PBT of RM6.6 million and RM1.5 million respectively in the current quarter as compared to RM3.5 million and PBT of RM0.9 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 Lumi Tropicana and Batu Kawah New Township, Kuching.





**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**15. REVIEW OF PERFORMANCE (CONTINUED)**

**QUARTERLY ANALYSIS: (CONTINUED)**

**Power segment:** This segment reported revenue and PBT of RM11.4 million and RM3.6 million respectively in the current quarter as compared to revenue of RM11.3 million and PBT of RM5.2 million in the corresponding quarter of 2020. The revenue is driven by the sales of renewable energy in the 49MW Solar Photovoltaic ("PV") power plant in Sungai Siput, Perak and the 10MW PV power plant in Gebeng, Pahang. PBT is lower in the current quarter mainly due to a lower share of profit of a 46% owned associate in Indonesia which is operating 2 x 7MW coal-fired power plants.

**Other segment:** This segment comprises primarily the manufacturing, trading and investment divisions of the Group. This segment reported revenue of RM4.7 million and LBT of RM4.7 million respectively in the current quarter as compared to revenue of RM5.2 million and LBT of RM5.4 million in the corresponding quarter of 2020. The poorer performance in precast manufacturing is due mainly to customers' delay in taking deliveries of precast products in the current quarter.

**YEAR-TO-DATE ANALYSIS**

	Cumulative Period			
	Current Year To-date 30-JUN-2021 RM'000	Preceding Year Corresponding Period 30-JUN-2020 RM'000	Changes	
			RM'000	%
Revenue	136,638	134,026	2,612	2
Profit from operations	28,749	30,205	(1,456)	(5)
Profit before interest and tax	20,602	20,177	425	2
Loss before tax	(3,150)	(6,266)	3,116	(50)
Loss after tax	(4,950)	(7,389)	2,439	(33)
Loss attributable to owners of the Company	(6,274)	(8,713)	2,439	(28)

*Please refer Note 8 - Segmental information for the results of the respective business segments*

The Group reported revenue of RM136.6 million and loss before tax ("LBT") of RM3.2 million for the period ended 30 June 2021 as compared to revenue of RM134.0 million and LBT of RM6.3 million in the corresponding period ended 30 June 2020. Improvement in LBT is mainly contributed by the higher share of profit of a 46% owned associate in Indonesia which is operating 2 x 7MW coal-fired power plants and lower finance cost subsequent to the partial repayment of borrowings.



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**15. REVIEW OF PERFORMANCE (CONTINUED)**

**YEAR-TO-DATE ANALYSIS (CONTINUED)**

The performances of the respective business segments are as follows:

**Construction segment:** This segment reported RM87.4 million and LBT of RM4.3 million in the current 6 months period as compared to revenue of RM84.4 million and LBT of RM6.5 million in the previous year's corresponding period. Lower LBT reported in current period is mainly due to lower finance cost subsequent to the partial repayment of borrowings in the current period.

**Property segment:** This segment reported RM11.8 million and profit before tax ("PBT") of RM3.0 million in the current 6 months period as compared to revenue of RM7.7 million and PBT of RM2.4 million in the previous year's corresponding period. Improvement in this segment is mainly due to higher sales of completed properties in Lumi Tropicana and Batu Kawah New Township, Kuhcing .

**Power segment:** This segment reported RM23.0 million and PBT of RM5.8 million in the current period ended 30 June 2021 as compared to revenue of RM24.4 million and PBT of RM6.5 million in the corresponding period ended 30 June 2020. The revenue and PBT are driven by the sales of renewable energy in the 49MW Solar Photovoltaic ("PV") power plant in Sungai Siput, Perak and the 10MW PV power plant in Gebeng, Pahang.

**Other segment:** This segment comprises primarily the manufacturing, trading and investment divisions of the Group. This segment reported revenue of RM14.4 million and LBT of RM9.7 million in the current period ended 30 June 2021 as compared to revenue of RM17.5 million and LBT of RM8.6 million in the corresponding period ended 30 June 2020. The poorer performance in precast manufacturing is mainly due to customers' delay in taking deliveries of precast products in the current period.

**16. COMPARISON WITH PRECEDING QUARTER'S REPORT**

	Current Year Quarter	Immediate Preceding Quarter	Changes	
	30-JUN-2021	31-MAR-2021	RM'000	%
Revenue	62,011	74,627	(12,616)	(17)
Profit from operations	12,694	16,055	(3,361)	(21)
Profit before interest and tax	9,871	10,731	(860)	(8)
Loss before tax	(2,027)	(1,123)	(904)	80
Loss after tax	(2,685)	(2,265)	(420)	19
Loss attributable to owners of the Company	(3,291)	(2,983)	(308)	10



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## **QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

### **NOTES TO QUARTERLY REPORT (CONTINUED)**

#### **16. COMPARISON WITH PRECEDING QUARTER'S REPORT (CONTINUED)**

The Group reported a lower revenue and profit before interest and tax ("PBIT") of RM62.0 million and RM9.9 million respectively in the current quarter as compared to revenue and profit before interest and tax of RM74.6 million and RM10.7 million respectively in the immediate preceding quarter. The Group's revenue and PBIT declined in the current quarter mainly due to the near completion of several construction projects and customers' delay in taking deliveries of precast products in current quarter.

#### **17. PROSPECTS**

Resurgence of Covid -19 cases and prolonged Movement Control Order ("MCO") have caused headwinds in our business operations especially in the construction, property and precast manufacturing sectors. The Group expects gradual recovery on these affected business segments with the Covid-19 vaccination program to ease Covid Restrictions.

Despite the slower economic growth in Malaysia that was 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 RM614 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 further partial repayment of bank borrowings expected from the proceeds raised from the Proposed Rights Issue with Warrants.



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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**

	<b>CURRENT QUARTER 30-JUN-21 RM'000</b>	<b>6 MONTHS ENDED 30-JUN-21 RM'000</b>
Current income tax		
- Malaysian income tax	658	1,800

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:

<b>As at 30 JUNE 2021</b>			
Interest rate	Long term RM'000	Short term RM'000	Total borrowings RM'000
<b>Secured</b>			
Revolving credits	Floating	-	124,954
Invoice financing	Floating	-	70
Term loan denominated in USD (USD50 million)	Fixed	-	207,731
Term loan denominated in RM Green SRI Sukuk Wakalah	Fixed/Floating	10,593	6,182
	Fixed	215,000	15,000
		<u>225,593</u>	<u>353,937</u>
<b>Unsecured</b>			
Revolving credits	Floating	-	4,000
Bankers' acceptance	Floating	-	5,997
Term loan denominated in USD (USD20 million)	Fixed	83,092	-
Euro Medium Term Notes ("EMTN") denominated in USD (USD40 million)	Fixed	-	166,185
		<u>83,092</u>	<u>176,182</u>
<b>Total Group's borrowings</b>		<u>308,685</u>	<u>530,119</u>
			<u>838,804</u>



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**20. GROUP BORROWINGS AND DEBT SECURITIES (CONTINUED)**

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

<b>As at 30 JUNE 2020</b>				
	<b>Interest rate</b>	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>				
Revolving credits	Floating	-	125,500	125,500
Invoice financing	Floating	-	2,347	2,347
Term loan denominated in USD (USD50 million)	Fixed	-	214,317	214,317
Term loan denominated in RM	Fixed/Floating	16,869	6,182	23,051
Green SRI Sukuk Wakalah	Fixed	230,000	10,000	240,000
		<u>246,869</u>	<u>358,346</u>	<u>605,215</u>
<b>Unsecured</b>				
Revolving credits	Floating	-	4,000	4,000
Bankers' acceptance	Floating	-	6,532	6,532
Term loan denominated in USD (USD20 million)	Fixed	-	85,727	85,727
Euro Medium Term Notes ("EMTN") denominated in USD (USD40 million)	Fixed	-	171,454	171,454
		<u>-</u>	<u>267,713</u>	<u>267,713</u>
<b>Total Group's borrowings</b>		<u>246,869</u>	<u>626,059</u>	<u>872,928</u>

- ii. Total borrowings reduced from RM844.9 million as at 31 December 2020 to RM838.8 million as at 30 June 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 RM19.6 million with an estimated net interest savings of RM0.9 million per annum.
- iv. The weighted average interest rate of the Group's borrowings is 5.42% p.a as at 30 June 2021.



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 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:

	<b>AS AT 30-JUN-21 RM'000</b>
Neither past due nor impaired	107,743
1 to 30 days past due but not impaired	37,112
31 to 60 days past due but not impaired	7,437
61 to 90 days past due but not impaired	6,243
91 to 120 days past due but not impaired	2,862
More than 120 days past due but not impaired	5,407
	166,804
Trade receivables that are impaired	(5,057)
	<u>161,747</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.



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**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2021 (CONTINUED)**

**NOTES TO QUARTERLY REPORT (CONTINUED)**

**22. CHANGES IN MATERIAL LITIGATION**

There were no changes in the material litigation as at the reporting date.

**23. DIVIDEND**

There were no dividend declared during the period ended 30 June 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.

	<b>CURRENT QUARTER 30-JUN-21</b>	<b>6 MONTHS ENDED 30-JUN-21</b>
<u>Basic and Diluted loss per share:-</u>		
Loss for the periods attributable to owners of the Company (RM'000)	<u>(3,291)</u>	<u>(6,274)</u>
Weighted average number of ordinary shares ('000)	622,646	622,646
Basic and diluted loss per share (sen)	<u>(0.53)</u>	<u>(1.01)</u>