CHAPTER
**04**

# OUR VALUE TO THE ENVIRONMENT

*Purple heron (Ardea purpurea) observed at Valencia, Selangor, Malaysia*

## CHAPTER HIGHLIGHTS

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**GHG Emission Intensity**

In FY2023, we are disclosing 26,825 tonnes $CO_2e$ for Scope 1 and 2 emissions, with a GHG emissions intensity of 3.57 $CO_2e$ per million revenue across three countries. Furthermore, our assets and development underwent their inaugural ISO 14064-1 verification for GHG emissions.

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**Scope 3 Emission**

We have broadened our disclosure of Scope 3 emissions, now encompassing eight categories, a significant increase from the single category reported in FY2022.

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**Renewable Energy**

In FY2023, our total energy consumption was 30,167,811 kWh. 22 percent of this is sourced from renewable energy sources, with 5,981,355 kWh of green electricity in the form of Renewable Energy Certificates (RECs) through GET and GreenPower.

# We are all connected

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**Water Management**

Gamuda considers water scarcity in all our developments. To-date, we have recycled 26 percent of surface water in construction and 17 percent of surface water in our developments, reducing our freshwater demands.

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**Waste Management**

We recognise the importance of responsible waste management, including maximising the efficiency of our raw materials and resources, and properly disposing of solid and hazardous waste to reduce our environmental footprint.

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**Wetlands Arboretum Centre (WAC)**

The WAC was launched in August 2023 and serves as an edu-tourism and research hub for biodiversity studies, forest-fitness, and educational programmes at Gamuda Cove. The Wetlands Arboretum Centre is also an EDGE Advanced (Zero Carbon Ready) certified.

# OUR VALUE TO THE ENVIRONMENT

## GAMUDA'S ENVIRONMENT FOOTPRINT OVERVIEW

Climate change is one of the greatest challenges of our time. As more countries and companies commit to meeting their net zero emissions, Gamuda is creating significant opportunities to support customers and communities in their decarbonisation efforts. In FY2023, we gained further momentum by reporting on our environmental performance in Vietnam and Australia. In 2022, Gamuda pledged to become a net zero carbon company by 2050, aligning with the Science Based Targets initiative (SBTi). As we continue on our decarbonisation journey, we are also prioritising sustainable water and waste management. Our focus includes preserving natural habitats, especially wetlands, to safeguard biodiversity.

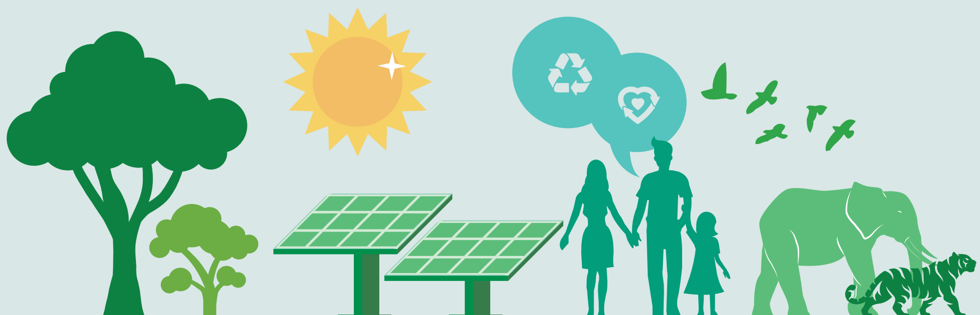
### OUR VALUE TO THE ENVIRONMENT

**REGIONAL SHOWCASE OF ENVIRONMENTAL EXCELLENCE**
By actively participating in and adhering to environmental best practices, we ensure the environmentally responsible execution of construction and engineering projects. This alignment ensures compliance with both local and global standards.

**GROUP EMISSIONS AT A GLANCE**
Our GHG footprint, encompassing Scope 1, 2, and 3 emissions, has expanded this year. We have extended our monitoring, disclosure, and assurance efforts beyond Malaysia to include Australia and Vietnam, covering over 100 sites.

**ADVANCING TOWARDS NET ZERO**
We are dedicated to reducing GHG emissions by aligning with global and national pledges, implementing digitalised monitoring, introducing environmental KPIs, incorporating GHG considerations throughout the construction lifecycle, and actively participating in climate-related working groups.

**RESHAPING URBAN: TOWARDS LOW-CARBON CITIES**
We are committed to integrating our climate action into our deliverables, including developments. Our objective is to transform these developments into low-carbon ecosystems, considering factors such as energy, water, waste, mobility, and green spaces.



**RESOURCE MANAGEMENT**
We are focused on enhancing our waste and water management practices across all our facilities, sites, and office locations. This commitment involves the implementation of efficient and sustainable strategies to minimises waste generation and optimise water usage.

**RENEWABLE ENERGY**
We are dedicated to using renewable energy sources (RE). Last year, we improved by adding new solar assets and joining government-driven green electricity programmes. We also see potential in hydroelectric projects and residential solar programmes as business opportunities.

**CONSERVING BIODIVERSITY**
Biodiversity plays a pivotal role in our climate action initiatives. We prioritise the integration of biodiversity conservation in all aspects of our projects. Our programmes encompass biodiversity audits, IUCN studies, partnerships with academic and research institutions, and the establishment of research centres among others.

## Climate Risks and Opportunities

Gamuda recognises the potential risks and opportunities posed by climate change. We ensure that every stage of our projects, including design, construction, and demolition, aligns with climate adaptation measures and is used to support climate adaptation measures.

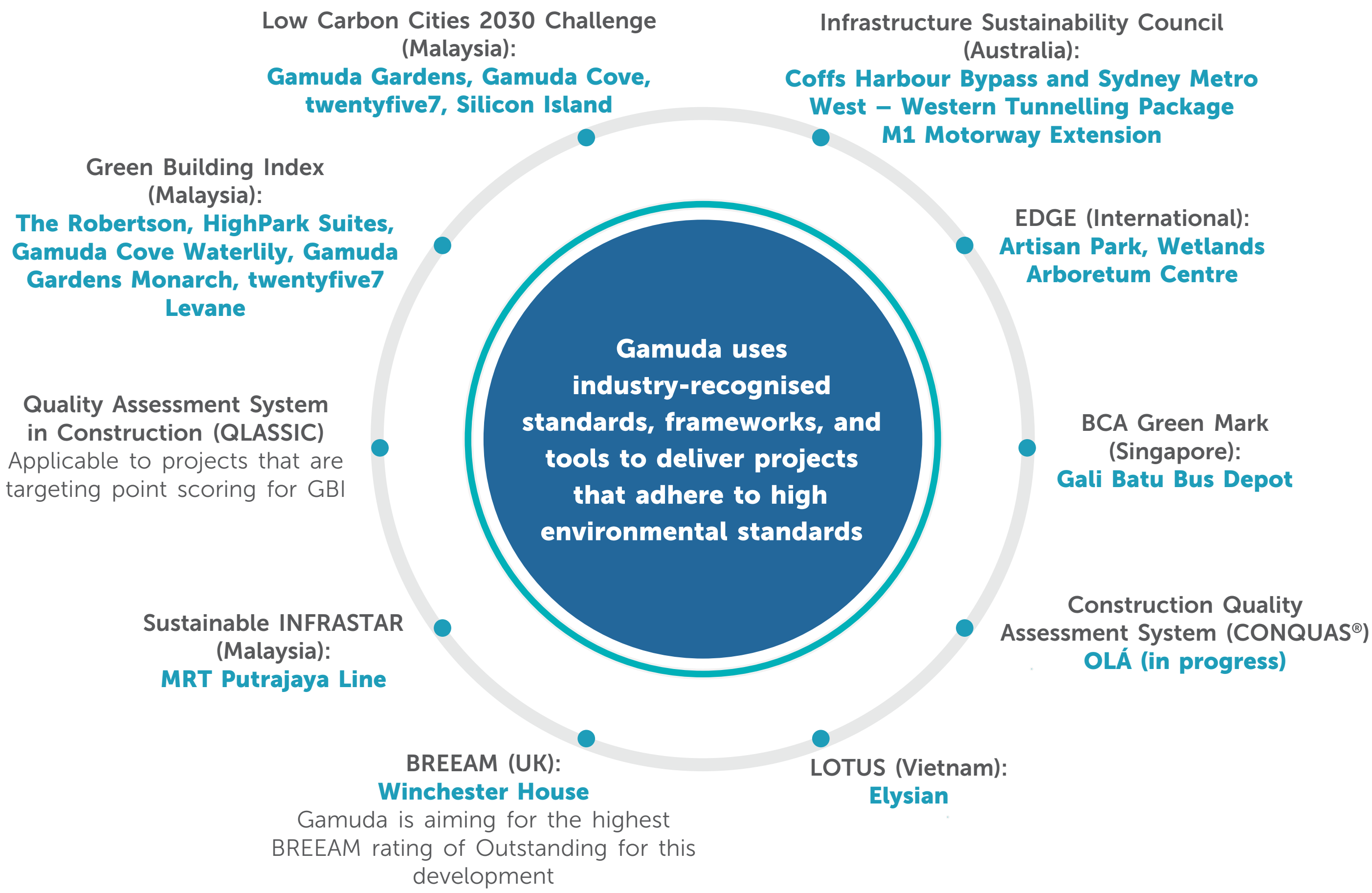
Gamuda conducted a comprehensive assessment of the potential risks and opportunities of climate change, including the effects of global temperature increases and rises in sea levels. This allowed us to study and incorporate adaptive features into our project planning and design.

The company proactively manages major ESG-related risks, like floods and other catastrophic events, by conducting detailed scenario planning and risk assessments. This allows for the identification of vulnerable areas and critical infrastructure that could be affected. In response, the company has established a comprehensive flood preparedness and response plan with clear protocols in place across all our locations.

## REGIONAL SHOWCASE OF ENVIRONMENTAL EXCELLENCE

We are actively engaged in partnerships with organisations such as the United Nations Development Programme (UNDP), CEO Action Network (CAN), Climate Governance Malaysia (CGM), Malaysian Green Technology and Climate Change Corporation (MGTC), and the Infrastructure Sustainability Council of Australia (ISCA). These collaborations enable us to contribute to global sustainable development goals, promote diversity and inclusion, support environmental stewardship, reduce our carbon footprint, and adopt best practices in sustainable infrastructure. Through these strategic partnerships, we establish directionality and a shared sense of purpose within a wide network of stakeholders, placing public policies, global agendas and environmental priorities at the core of our efforts.

All of our environmental management practices comply with applicable laws and guidelines, such as the Environmental Quality Act 1974 and Environmental Impact Assessment (EIA) approval conditions in Malaysia, the Law on Environmental Protection 2020 in Vietnam, as well as the Protection of the Environment Operations Act 1997 (POEO Act) in Australia. These stringent adherence and compliance efforts not only ensure legal and regulatory conformity but also demonstrate Gamuda's commitment to environmental responsibility and sustainability, fostering trust with our stakeholders and enhancing our reputation as a socially responsible and environmentally conscious organisation in all the countries where we operate.



# OUR VALUE TO THE ENVIRONMENT

## ADVANCING TOWARDS NET ZERO

The scientific evidence is unequivocal; to avoid disastrous climate outcomes, we cannot allow global temperatures to exceed 1.5 degree celsius above pre-industrial levels. In the wake of the 2015 Conference of the Parties (COP21) of the United Nations Framework Convention on Climate Change (UNFCCC) in Paris, countries, institutions, and businesses worldwide – including Gamuda – have committed to reducing their emissions and achieving net zero by 2050.

In 2022, Gamuda became one of the first 16 companies in Malaysia to commit to the Science Based Targets initiative (SBTi) to align our greenhouse gas (GHG) emissions reduction targets with the latest scientific evidence and global efforts to combat climate change. Under our Gamuda Green Plan 2025, the Group is committed to our GHG emissions intensity by 30 percent in 2025 and 45 percent in 2030 against our FY2022 baseline.[1]

NET ZERO 2050

Our emissions reporting is also aligned with global standard-setting bodies, such as the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and CDP (formerly the Carbon Disclosure Project). We are dedicated to providing regular reports on environmental matters and diligently tracking and recording our environmental data, which includes GHG emissions. This is accomplished through the use of our cloud-based platform.

### Our Net Zero Journey

**Before 2021**

- Our Stormwater Management and Road Tunnel (SMART) project, constructed in **2002** was our first climate-related infrastructure project. The primary purpose of SMART is to address two critical issues: flood prevention and traffic congestion reduction in Kuala Lumpur
- In **2016**, we launched Gamuda Next-Gen Digital IBS, which involved the use of digital design tools and robotics for safer and more sustainable construction, resulting in minimal wastage
- In **2017**, climate action became one of our material matters
- In **2018**, we established Gamuda Parks to ensure biodiversity and communal spaces were integrated in our developments. This was also the foundation for our carbon sequestration efforts
- In **2020**, we began disclosing our carbon emissions data via CDP

[1] *We chose FY2022 as our baseline because our businesses were impacted by the COVID-19 pandemic and data would not have been reflective of business-as-usual circumstances. Our Vietnam operations only began reporting on GHG emissions in FY2023, therefore, data from FY2023 will be monitored and set as the baseline.*

We are also laying the groundwork for carbon credits through tree planting and assessing our carbon stocks to determine our carbon storage capacity. Additionally, we are exploring the potential implementation of an internal carbon pricing mechanism that aligns with Bursa Carbon Exchange (BCX) – Malaysia's voluntary carbon market (VCM) spot exchange that enables the trading of high-quality carbon credits through standardised carbon contracts. We are still in the process of determining our carbon storage capacity while assessing local preparedness and engaging in robust dialogue with relevant stakeholders. We plan to provide further progress updates in the future.

**Our GHG emissions reporting has been validated via ISO 14064-1 standards. Our assets and infrastructure in Australia, Malaysia, and Vietnam achieved ISO 14064-1 verification in FY2023, showcasing our commitment to precise measurement and transparency. This sets us apart as a leader in the construction industry, enhancing credibility and aligning with global standards**

## 2021

**Launch of the Gamuda Green Plan 2025, which aims for a 30 percent reduction in Scope 1 and Scope 2 emissions intensity by 2025, and 45 percent by 2030**

- Implemented carbon traceability using cloud-based ESG software
- Aligned our sustainability reporting with TCFD
- Obtained external assurance on Scope 2 emissions
- Began monitoring our Scope 3 construction emissions

## 2022

**Committed to being a net zero carbon organisation by 2050**

- Adopted the Gamuda Group ESG Policy that includes our carbon reduction plans
- Became an official supporter of TCFD
- Committed to SBTi and became an official member of the Business Ambition for 1.5 degree celsius campaign
- Implemented an integrated cloud-based software to enhance our emissions data monitoring and reporting
- External assurance on Scope 1 and Scope 2 emissions
- Began Scope 3 emissions traceability disclosures
- Promoted supply chain readiness towards an integrated carbon reduction programme
- Acquired 30 percent equity stake in ERS Energy Sdn Bhd

## 2023

- Report Group's emission to MGTC via Low Carbon Operating System, LCOS
- Began ISO14064-1 verifications for our disclosed GHG emissions data
- Began collecting our Scope 3 emission data from suppliers and disclosing data from eight out of the 15 emission categories according to the GHG Protocol
- Increase usage of renewable energy to 21 percent of Group total energy
- Continued validating our current state based on LCC 2030 challenge, ensuring alignment to reduction capabilities (Diamond rating)
- Introduced EV infrastructure at our offices and premises
- Building through Wetlands Arboretum Centre
- Continued to expand the conversation on renewable energy usage such as GET/RECs

# OUR VALUE TO THE ENVIRONMENT

## GROUP EMISSIONS AT A GLANCE

The Group remains steadfast in our commitment to intensifying our efforts in monitoring and reducing emissions. These initiatives now encompass new projects and asset acquisitions. In the current year, we have expanded our coverage to include over 100 sites across three key countries: Malaysia, Australia, and Vietnam. Our Scope 1 and 2 emissions reporting for FY2023 covers all our businesses in Australia, Malaysia, and Vietnam. Total Scope 1 and 2 GHG emissions were 6,718 (25 percent) and 20,107 (75 percent) tonnes $CO_2e$ respectively, adding towards a total of 26,825 tonnes $CO_2e$ at an intensity of 3.57 tonnes $CO_2e$ per million revenue. The majority of these emissions come from our Malaysian operations, at 25,506 tonnes $CO_2e$, followed by 1,134 tonnes of $CO_2e$ from Vietnam and 185 tonnes of $CO_2e$ from Australia.

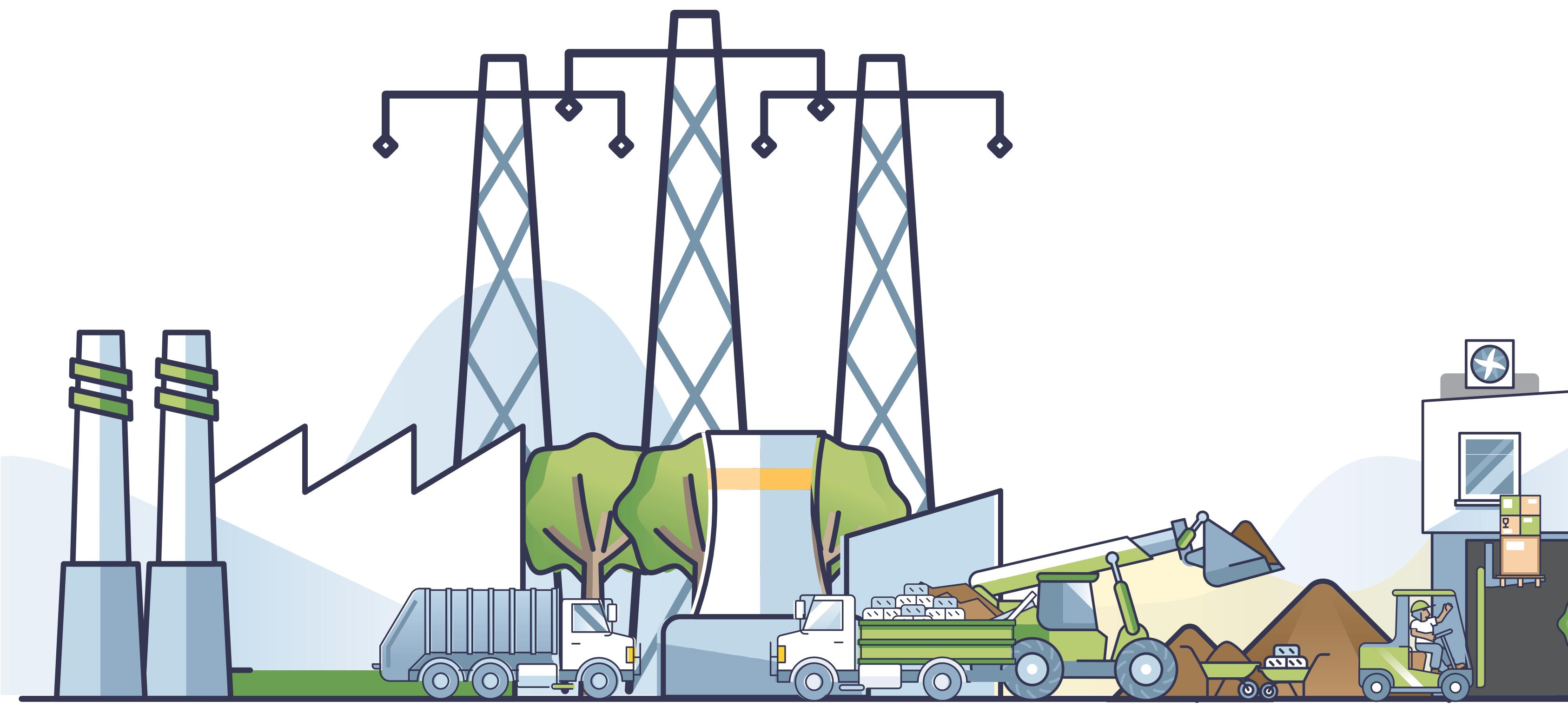
We continue to work towards reaching our Gamuda Green Plan 2025 target of reducing our Scope 1 and Scope 2 emissions intensity by 30 percent by 2025, and 45 percent by 2030. As part of our initiative to reduce our carbon footprint, some of our developments in Malaysia and Australia subscribe to government-driven green electricity programmes, e.g. the Green Electricity Tariff (GET) and GreenPower, and we utlise solar photovoltaics (PVs) for renewable energy (see section on Renewable Energy on pages 180 to 185).

**SCOPE 1**

**6,718**
tonnes $CO_2e$

**SCOPE 2**

**20,107**
tonnes $CO_2e$



*Note:*
- *Scope 1 emissions refer to direct emissions from premises or activities that are owned or controlled by Gamuda. Scope 2 emissions refer to indirect emissions from the generation of purchased energy, i.e electricity*
- *On average, a single tree sequesters approximately 10 kg of carbon dioxide per year (for the first 20 years)*

Through our unwavering dedication to meticulously monitoring emissions, ingraining green design principles into every project, and fostering a culture of emission reduction throughout our organisation, we have achieved a remarkable milestone — a 23 percent reduction in emissions intensity compared to our baseline.

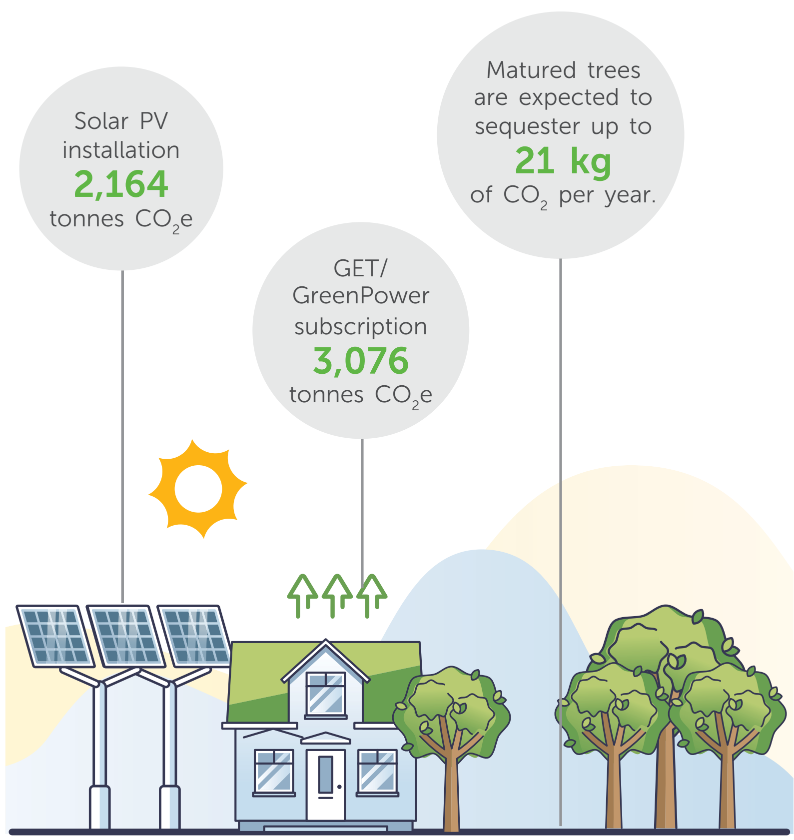
In 2022, as part of our continued efforts to achieve full Group-wide carbon traceability, we began collecting and reporting our Scope 3 emissions data directly from our construction sites. Examples of emission sources at these sites include fuel, energy and electricity use. We also gather Scope 3 data from other indirect aspects of our operations, including employee commutes, business travel, transportation and distribution, volumes of materials used, waste, and purchased goods and services.

In addition, we began promoting supply chain readiness for emissions reporting through our complimentary ESG training sessions for over 3,000 supply chain partners comprising financiers, government agencies and regulators, builders, suppliers and consultants. Our suppliers have pledged to reducing their carbon emissions and increasing their operational sustainability, and are working with us on an integrated carbon reduction programme in line with our Gamuda Green Plan 2025.

**SCOPE 3**

**132,143**
tonnes $CO_2e$

## Emissions avoided



# OUR VALUE TO THE ENVIRONMENT

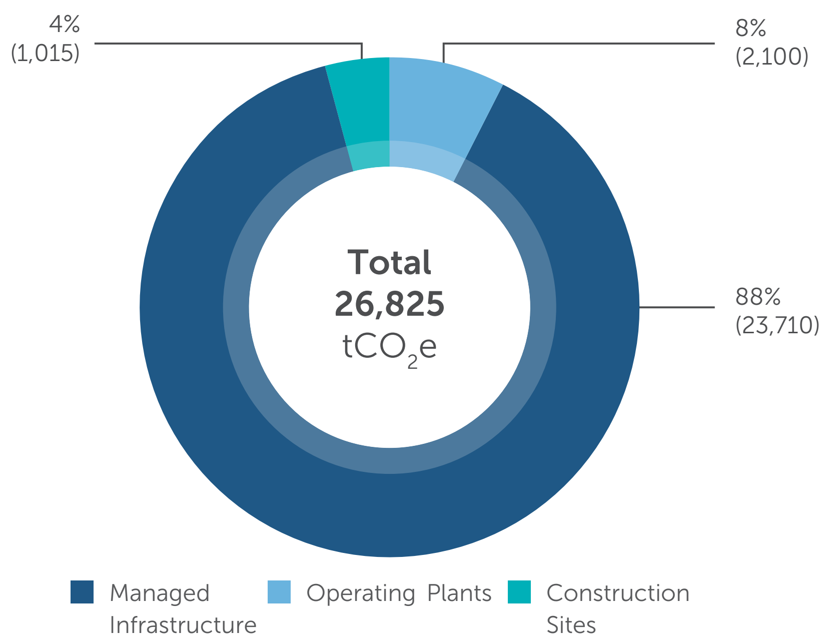
## GAMUDA SCOPE 1 AND 2 GHG EMISSIONS FOR FY2023

**45%** 2030 Carbon Emission Intensity Reduction

Achieved **23%** of GHG emissions intensity reduction compared to our FY2022 baseline

FY2022 (baseline)
**4.7 tonnes $CO_2e$**
per million revenue

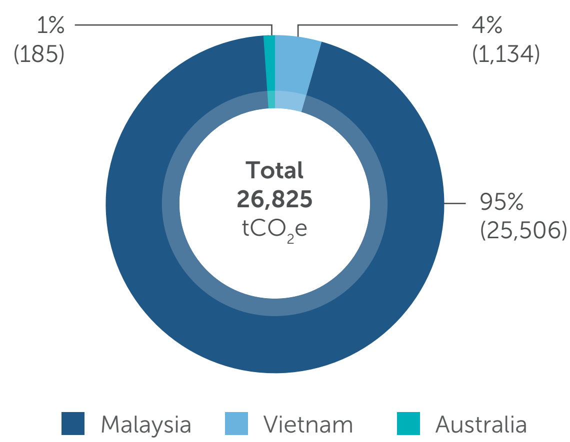
GHG emissions by Gamuda's operation FY2023 ($tCO_2e$)




Scope 1 and Scope 2 emissions by Country FY2023 ($tCO_2e$)

| Scope 1 | Scope 2 |
|---|---|
| 6,619 | 18,887 |
| 0 | 1,134 |
| 99 | 86 |

GHG emissions by country FY2023 ($tCO_2e$)




*Note: Refer to pages 210 to 211 for each location Scope 1 and Scope 2*

Our FY2023 Scope 3 emissions data is limited to specified business units in Malaysia. As we systematically implement our emissions reporting framework, we intend to broaden this reporting to include additional business units in the future, including those operating overseas. This initiative underscores our unwavering dedication to consistently enhance our environmental impact assessments and achieve a comprehensive understanding of our carbon footprint across all facets of our global operations. Our Scope 3 emission is as follows:

Total emissions for Scope 3[1] in FY2023 were 132,143 tonnes $CO_2e$.

We started gathering emissions data from our suppliers in 2023 and will establish Scope 3 supply chain emissions targets beginning in 2026. Our Scope 1 and 2 emissions are subject to annual internal and external audits, and we plan to conduct audits for our Scope 3 emissions in the future.

**Waste Generated in Operation**
- Gamuda Next-Gen Digital IBS
- Gamuda Land

**392 tonnes $CO_2e$**

**Business Travels**
- Gamuda Berhad
- Gamuda Next-Gen Digital IBS
- Gamuda Land

**774 tonnes $CO_2e$**

**Capital Goods**
- Gamuda Berhad
- Gamuda Next-Gen Digital IBS
- GB Kuari
- Gamuda Land

**823 tonnes $CO_2e$**

**Purchased Goods and Services**
- Gamuda Next-Gen Digital IBS
- Gamuda Land

**91,636 tonnes $CO_2e$**

**Downstream Transportation**
- Gamuda Next-Gen Digital IBS
- GB Kuari
- Gamuda Land
- Megah Sewa

**8,254 tonnes $CO_2e$**

**Upstream Leased Assets**
- Gamuda Berhad
- Gamuda Engineering
- Gamuda Land

**1,375 tonnes $CO_2e$**

**Downstream Leased Assests**
- Megah Sewa

**238 tonnes $CO_2e$**

**Employee Commuting**
- Gamuda Berhad

**28,651 tonnes $CO_2e$**

## Using Green Materials

Our efforts to reduce our Scope 3 emissions have begun by incorporating the use of green materials in our designs. In Vietnam, we include green and environmentally friendly elements throughout our developmental value chain, from procurement to architect selection and contractor engagement. This includes actively finding ways to use eco-friendly construction materials to reduce embodied carbon and Scope 3 emissions.

At our Plot A6 Diamond Alnata Plus project, we have implemented the following measures:

**Plot A6 Diamond Alnata Plus project**

By mixing concrete with fly ash, a fine powder derived from coal's mineral matter, its **strength and durability is enhanced,** resulting in greater resistance to cracking, permeability, and long-term performance. This also helps **reduce the amount of cement needed**, minimising its environmental impacts.

All our units are being built with **100 percent power-efficient** LED lights.

We use certified 'green' laminates for our flooring or furniture to ensure our products meet environmental and safety standards, **particularly regarding formaldehyde emissions.**

**Harvested rainwater is utilised** for curing concrete, as well as for gardening and cleaning purposes.

[1] *Spend-based method is the first available method for Scope 3 measurement to estimate our emission. This approach involves multiplying the financial value of a purchased good or service by an emission factor to derive an estimate of emissions. Additionally, we are also using the average-data method to estimate emissions from employee commuting by relying on general data, such as national averages, regarding commuting patterns*

# OUR VALUE TO THE ENVIRONMENT

Similarly, our efforts to reduce embodied carbon in Australia starts with:

**Project-wide:**
**Coffs Harbour Bypass Project**

**Sydney Metro West – Western Tunnelling Package**

**M1 Motorway Extension**

Gamuda's Australian operations actively reduce embodied carbon emissions by **utilising cement replacement materials** such as **fly ash, ground-granulated blast furnace slag, and silica fume**, all of which are waste byproducts from other industries. This **will reduce the environmental footprint of their projects and contributes to waste diversion** from other industries, to foster sustainable construction ecosystem.

**Project: Coffs Harbour Bypass Project**

**Supply near 500 tonnes of large woody debris** from the project for river restoration and **reducing riverbank erosion** in the Clarence River catchment, **aiding in flood protection** and **promoting aquatic biodiversity habitat**.

**Project: Sydney Metro West – Western Tunnelling Package**

The precast facility at Eastern Creek **provides high-quality tunnel segments** produced with high levels of Supplementary Cementitious Materials (SCM) concrete mixes, **meeting strict contract requirements for quality, fire rating, and sustainable materials**

**Using Australia's first high-recycled content asphalt (Reconophalt™) and 100 percent recycled plastic fibres** to reinforce concrete (eMesh).

GuardDog Drain Filter employed at drainage outlets, made from **100 percent recycled absorbent media**, with a longer lifespan and reduced waste generation.

## EFFICIENT ENERGY MANAGEMENT

In Gamuda Gardens Vietnam, we have replaced 60 percent of our conventional fuel-based tools and gardening and landscape maintenance equipment with electric rechargeable devices for in-house and outsourced services. We are also gradually phasing out halogen streetlights and landscape lighting fixtures and replacing them with LED lights.

Currently, approximately 58 percent of the lights in our development have been converted to LED. This shift has reduced exhaust gas carbon emissions, lessened noise pollution, and resulted in brighter streets and walkways, longer-lasting lightbulbs, as well as energy and cost savings.

In addition, as part of our green transport mobility plans and initiative to reduce transport emissions, we use electric motorbikes and buggies for site work across all our developments. Bicycles and electric carts are also used to collect rubbish within the development.

## RENEWABLE ENERGY

As the fight against climate change gathers pace, there is increased attention on renewable energy (RE) across all industries worldwide. The drive to generate power using alternative sources instead of fossil fuel is essential for companies and countries to achieve their decarbonisation goals. Gamuda's RE efforts towards renewable energy in Malaysia are closely aligned with the national agenda, particularly the National Energy Transition Roadmap (NETR) and the Malaysia Renewable Energy Roadmap (MyRER), which aim to ensure long-term energy security and environmental and economic sustainability through the decarbonisation of the electricity sector. In Australia, we comply with government mandates, such as the Climate Change Act 2022, Rewiring the Nation plan, National Energy Transformation Partnership, and National Energy Performance Strategy.

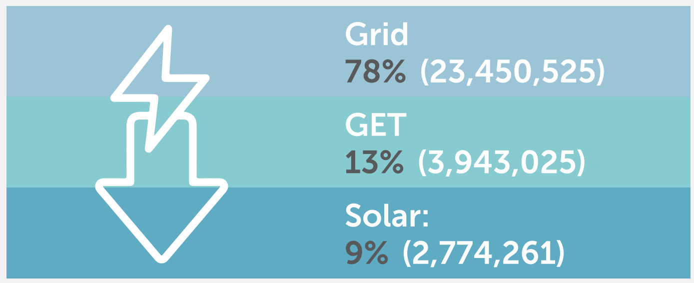
As part of the Gamuda Green Plan 2025, our goal is to reduce our reliance on non-renewable energy in our developments and developments by 40 percent by 2030 compared to our business-as-usual levels. Additionally, we plan to gradually phase out non-RE and reduce our dependence on grid electricity supply by generating 100 percent of our energy from renewable sources such as solar panels by 2025 across our offices, construction sites and assets.

To help us achieve our goals and ensure alignment with applicable standards and frameworks such as Sustainable INFRASTAR and LCCF, design considerations are made for all projects before construction. After construction, we install solar panels or photovoltaics (PV), subscribe to renewable energy programmes, such as Tenaga Nasional Berhad's (TNB) GET Programme in Malaysia at Menara Gamuda and Gamuda Next-Gen Digital IBS and the Australian government's GreenPower programme for the Sydney Metro West – Western Tunnelling Package project, and retrofit equipment or tools. These efforts also help us to leverage sustainability-linked loans.

In FY2023, our total energy consumption was 30,167,811 kWh. 22 percent of the total was sourced from renewable energy sources, with 3,943,025 kWh of green electricity in the form of Renewable Energy Certificates (RECs) through Green Electricity Tariff (GET). All our renewable energy programmes have led to 5,390 $tCO_2e$ avoided.

Successfully installed **6,478** solar PVs across **10** sites that can generate **3,143 kilowatt peak (kWp)** of electricity

**Total Energy Consumption By Source FY2023, 30,167,811 kWh**




## Progress On PV Installation Across Gamuda Sites

| | Capacity | No. of panels | |
|---|---|---|---|
| Quayside Mall, twentyfive7, Malaysia | 1,192 kWp | 2,208 | COMPLETED |
| Gamuda Next-Gen Digital IBS, Banting, Malaysia | 300 kWp | 556 | COMPLETED |
| Menara Gamuda, Malaysia | 147 kWp | 270 | COMPLETED |
| Sales Gallery, twentyfive7, Malaysia | 81 kWp | 150 | COMPLETED |
| Megah Sewa, Selangor, Malaysia | 272 kWp | 500 | COMPLETED |
| Batu Maung Store Yard, Silicon Island, Penang, Malaysia | 12 kWp | 26 | COMPLETED |
| Sports and Resort Club, Celadon City, Vietnam | 745 kWp | 1,675 | COMPLETED |
| Artisan Park, Binh Duong, Vietnam | 13 kWp | 23 | COMPLETED |
| Wetlands Arboretum Centre, Gamuda Cove, Malaysia | 71 kWp | 130 | COMPLETED |
| Experience Gallery, Gamuda Gardens, Malaysia | 310 kWp | 940 | INSTALLED: PENDING COMMISSIONING |

# OUR VALUE TO THE ENVIRONMENT

## EXPANDING OUR RENEWABLE ENERGY BUSINESS

In December 2022, we finalised a deal to purchase a 30 percent equity stake in ERS Energy Sdn Bhd, a pioneering solar energy company based in Malaysia, specialising in engineering procurement construction and commissioning (EPCC). Together through NEDA Pekan Sdn Bhd, we are developing the NEDA39 Solar Farm in Pekan, Pahang, which will provide solar energy and benefit residents in the area.

NEDA39 operates under TNB's New Enhanced Dispatch Arrangement (NEDA) framework which underlines the Malaysian government's Corporate Green Power Programme (CGPP). whereby power producers can supply energy to TNB without a power purchase agreement (PPA). Upon operation, NEDA39 is estimated to generate up to 64,000MWh of solar power and RECs annually.

With this strategic investment, Gamuda will be able to expand our RE asset portfolio to over 800MW in the coming years and accelerate our business plan to become Malaysia's leading private RE producer.

**125 acres, 39MWp** NEDA39 solar farm uses cutting-edge technology, such as solar trackers and a battery storage system to future-proof the facility

*Aerial view of NEDA39 Solar Farm, Pekan, Pahang, Malaysia*

### Transforming Urban Living via Eco-Friendly Features

In September 2023, we have signed a Memorandum of Understanding (MoU) with ENGIE, a global leader in low-carbon energy and services. The partnership will focus on exploring and implementing renewable (solar) and efficient energy, as well as energy efficient solutions across our developments, including Gamuda Cove in Kuala Langat, Gamuda Gardens in Rawang, and twentyfive7 in Kota Kemuning by 2024.

We are introducing first-to-market sustainability innovations to The Canopy on Normanby residential project in South Melbourne, Australia. With over 20 floors, The Canopy will feature a host of green building features and biophilic designs. It will be the first residential project in Melbourne with a ground source heat pump and 86 kilowatt (kW) rooftop solar array – designed to produce a combined output of approximately 5 to 10 percent building's annual energy requirements from on-site generation with a commitment to source the remainder from off-site certified green energy generation.

In addition, the project will feature an on-site rainwater harvesting system with a 35kL rainwater tank, inbuilt recycling infrastructure, EV charging facilities with on-site EV, e-scooter, and e-bike, exclusively for residents, and potentially Melbourne's first urban park with the Miyawaki-inspired forest planting method.

At our Artisan Park sales unit and sales gallery in Binh Duong, Vietnam, we are installing solar panels to generate renewable energy on-site, which can help power domestic water heaters. Water-efficient faucets and showerheads are being installed to help reduce water consumption and wastage.

We are also using flat roof tiles which are 20 percent lighter than traditional roof tiles and coated with high-grade nano paint that can deflect heat and help lower indoor temperatures. We are also using porcelain tiles and concrete slabs, which help to reduce embodied energy in materials.

In addition to improving the quality of life within our communities through sustainable innovations, we are committed to digitally integrating some of our developments into "smart townships." We are preparing to sign a Memorandum of Understanding (MoU) with a leading 5G technology provider to collaborate and explore the potential for 5G implementation across all our developments.

Artisan Park has achieved the EDGE Advanced Preliminary Certificate, with **70%** energy saving, **29%** water saving, and **52%** less embodied carbon in materials. We anticipate to achieve the EDGE Final Certificate in Q4 2023

# OUR VALUE TO THE ENVIRONMENT

## Promoting EV-Ready Facilities

### INSTALLING EV CHARGERS AT MENARA GAMUDA

In the third quarter of 2022, following extensive planning, research, and assessments on factors including location, design, safety, power, and internet connectivity, we began an initiative to install electric vehicle (EV) chargers at Menara Gamuda in Malaysia as part of our ongoing efforts to create a more environmentally-conscious workplace.

Menara Gamuda is currently equipped with seven EV chargers which are available for use by our employees and visitors. Three-phased and AC-powered, these EV chargers can deliver up to 22 kilowatts (kW) per hour, requiring only 4 to 6 hours to reach an 80 percent charge.

The successful implementation of this initiative is a testament to the collaborative spirit and dedication of multiple Gamuda departments, including Group Corporate Communications and Sustainability, Group Human Resources and Administration, Group Quality, Safety, Health, and Environment, Gamuda Energy, and Gamuda Excellence Transformation.


*EV charging facility available for employees and visitors, reflecting our commitment to sustainable mobility*

### Tesla Superchargers at Gamuda Cove

In July 2023, we began discussions with Tesla Malaysia and have since finalised an agreement with them to construct 24 parking spaces equipped with Tesla Superchargers at our Gamuda Cove Discovery Park. The Tesla Superchargers hub is one of the largest in the country with a maximum charging rate of 250 kW. Construction is expected to commence in late 2023.

### Electric Vehicles in Vietnam

In February 2023, we launched electric vehicles (EV) programmes where the management will start renting EV to replace the conventional internal combustion engine (ICE) vehicle with EV for their office usage.

### EV Infrastructure in Australia

At The Canopy, South Melbourne, tenants have the opportunity to rent EVs through the Ohmie GO smartphone app. Ohmie Go is an EV sharing solution for residents who live in buildings with an electric mobility hub. Subsequently, Gamuda adheres to the Green Star rating system requirement to ensure:

- Allocation of four carparks within the building to be used as carshare
- Electrical infrastructure and a load management plan to allow for future installation of EV chargers to 25 percent of all car parking spaces

At 95 St Kilda Road, a newly proposed mixed-use residential and retail building, load management EV charging infrastructure will also be installed, in line with the local government's net zero goals. A total of 75 percent (50 lots) of on grade car parks will be EV-ready by 2026.

## BICYCLE NETWORKS FOR ECO-FRIENDLY MOBILITY

Gamuda Land is committed to sustainable masterplanning in its developments, prioritising eco-friendly mobility options, such as walking and cycling. At our twentyfive7 development in Kota Kemuning, Selangor, we introduced 'The Loop', a 7 km network of pet and wheelchair-friendly walkways with ample space for joggers and cyclists. The development also features bicycle racks, repair stations, and rental services to encourage bicycle use. We are also exploring ways to incentivise walking and cycling by integrating The Loop with a wellness reward program through the Gamuda Land mobile app, where residents can earn rewards such as shopping vouchers for use at Quayside Mall.

At Gamuda Cove, residences are strategically located close to parks connected by walkways and cycling paths, which reduces the need for car travel. Similarly, at Silicon Island, Penang, green mobility elements like a bicycle path network will be incorporated to serve both residential and commercial areas.

Our efforts align with our Gamuda Green Plan 2025 target to establish 250 km of cycling and pedestrian networks and achieve a 40 percent reduction in non-renewable energy use across developments. As of FY2023, we have **successfully completed a total of 93 km out of 250 km** planned of cycling and pedestrian pathways in our developments. Aside from making the urban environment more pleasant, safe, and less polluted, these eco-friendly mobility initiatives not only inline with the Low Carbon Cities Framework (LCCF), but can also ease traffic congestion and improve public health.


*Bicycles available to be used at Gamuda City, Vietnam*

# OUR VALUE TO THE ENVIRONMENT

## RESHAPING URBAN LANDSCAPES: TOWARDS LOW-CARBON CITIES

Gamuda Land began adopting the Low Carbon City Framework (LCCF) in 2020, as part of our efforts to achieve our Gamuda Green Plan 2025 target of reducing $CO_2$ emissions by 40 percent compared to business-as-usual (BAU) levels by 2030 across our developments.

In July 2019, Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) launched the Low Carbon Cities 2030 (LCC 2030) Challenge, which focused on five elements in line with the greenhouse gas (GHG) Protocol for cities:


In 2021 and 2022, Gamuda participated in the challenge and obtained five, four, and three Diamond recognitions for our Gamuda Cove, Gamuda Gardens, and twentyfive7 developments respectively. These accolades are proof of our exemplary approach and are also indicative of our extensive commitment towards environmentally responsible development.

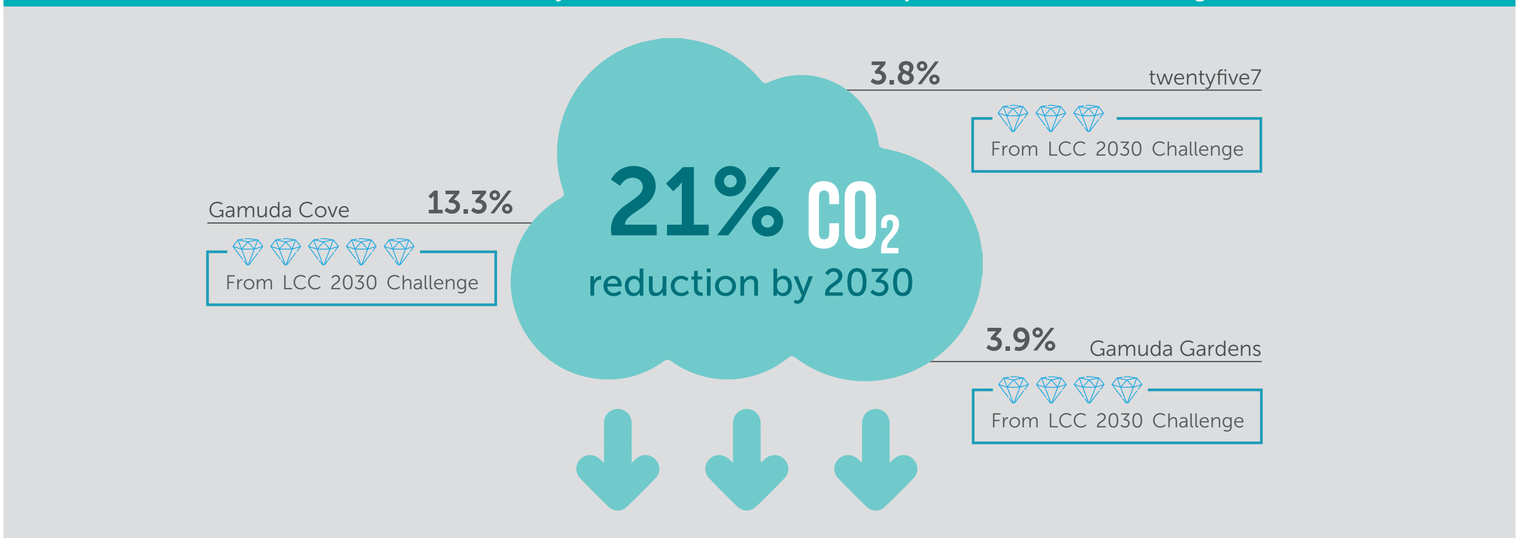
Through our internal audits that was verified by our consultant, we have assessed our carbon reduction progress in 2023. Should we adhere to our sustainability strategies, we aim to achieve a 21 percent reduction in carbon emissions by 2030 by means of the collaborative sustainability initiatives carried out throughout the three developments. Gamuda Cove will make the most prominent contributions to the reduction efforts, with 13 percent of the emission reduction, followed by Gamuda Gardens (3.9 percent) and twentyfive7 (3.8 percent).

Urban Transportation continues to offer the most substantial potential for reducing carbon emissions in Gamuda Land, with a significant impact on reducing emissions in Gamuda Cove and a remarkable 70 percent in Gamuda Gardens. The second most significant avenue for reducing carbon emissions is energy, contributing between eight percent and 45 percent across our developments. Waste management also plays a crucial role in carbon emission reduction by diverting waste away from landfills. We recognise that initiatives aimed at reducing carbon emissions demand ongoing attention and oversight, and we are dedicated to implementing and sustaining these efforts as we make meaningful progress toward our environmental objectives.

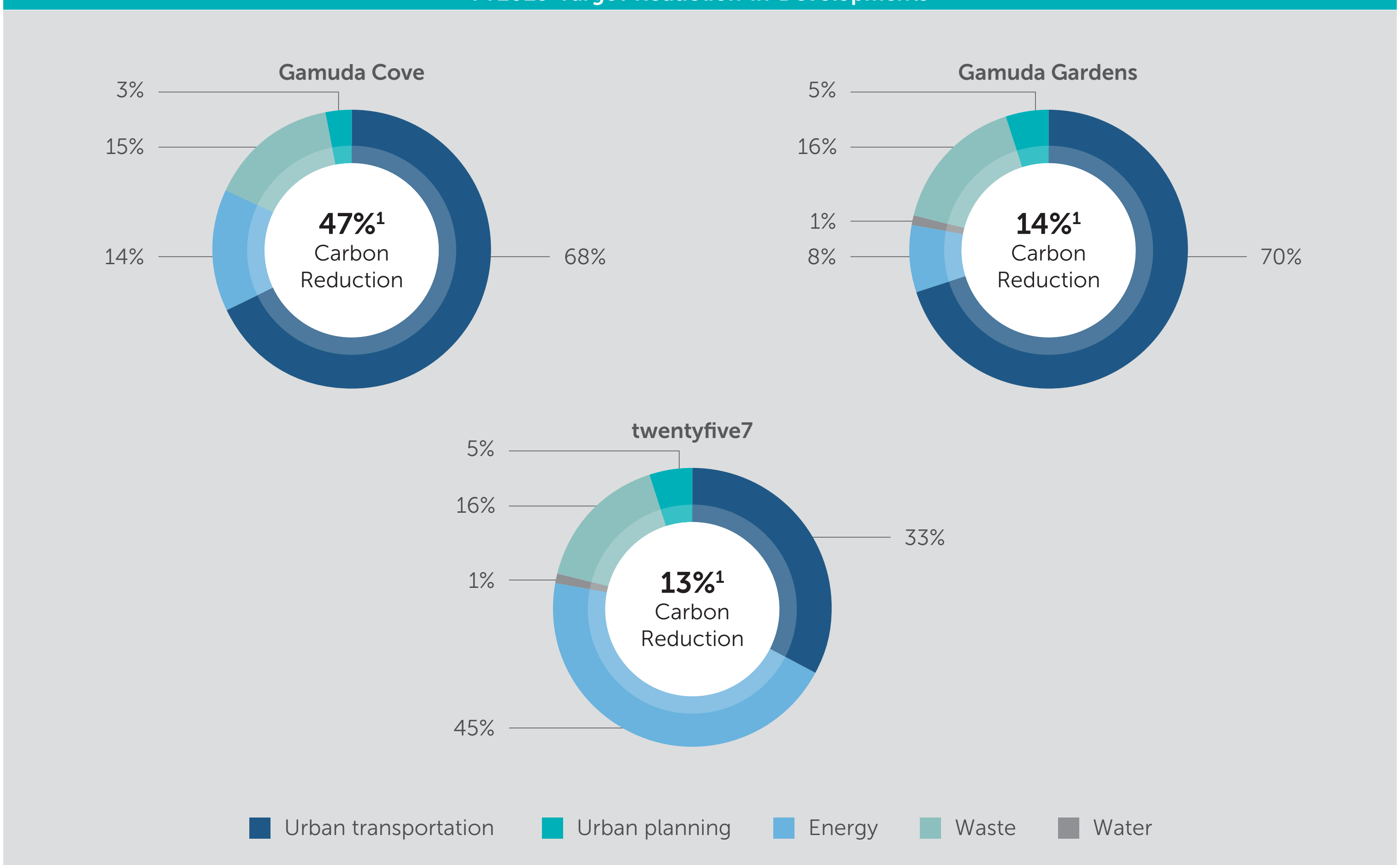

*Kota Kemuning, Selangor, Malaysia*

***Note:*** *Gamuda Cove, Gamuda Gardens and twentyfive7 have received five, four and three-diamond ratings respectively, accredited by MGTC under the Low Carbon City (LCC 2030 Challenge). Gamuda Cove is the first private township in Malaysia to receive this recognition*

**FY2023 Assessment: Projected Contribution of Developments Towards Our Targets**




**FY2023 Target Reduction in Developments**




[1] *Percentage of carbon reduction target by 2030*

# OUR VALUE TO THE ENVIRONMENT

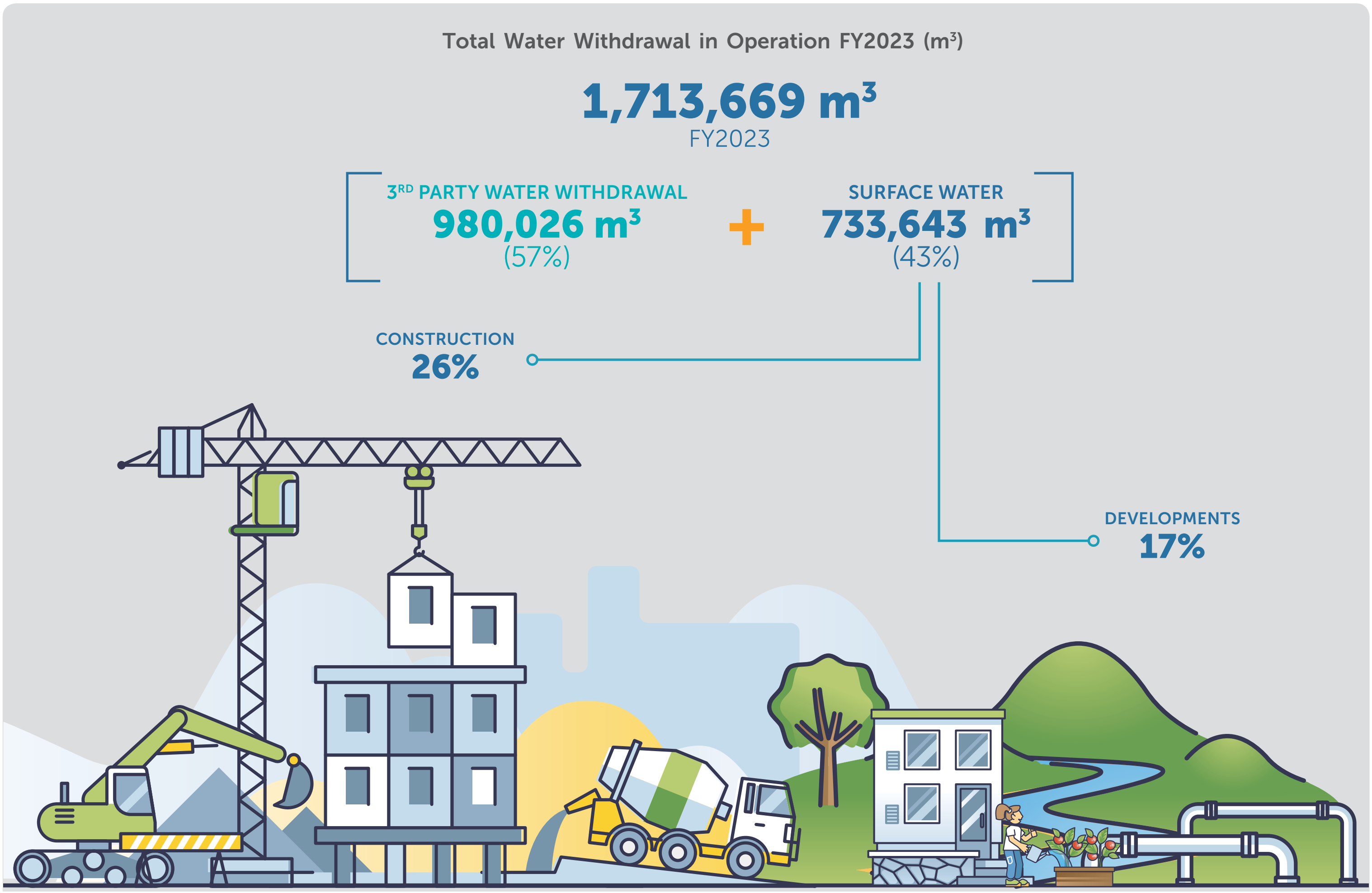
## RESOURCE MANAGEMENT

### Water Management

Gamuda has incorporated water management into its business strategy and conducts regular risk assessments to mitigate these challenges and promote sustainable water management across our operations and developments.

Through our Gamuda Green Plan 2025, we are committed to reducing our water usage by minimising our freshwater demand. We use science-based tools such as the Aqueduct Water Risk Atlas by the World Resources Institute (WRI) to assess for water risks and ensure that our active operations, sites, and premises are not located in water-stressed regions or areas.

All Gamuda staff are responsible for managing their water consumption. To ensure effective water management and minimise wastage, we integrated strategies for water efficiency and recycling in the development of SplashMania at Gamuda Cove, which was launched in Q1 2023. These initiatives included the use of recycled rainwater for park-wide irrigation and non-potable applications. Additionally, water-efficient fittings, such as low-flow and touchless sensors with dual flush systems, were installed in the facility's toilets during the design phase.




- *All the construction sites and development projects indicated include Gamuda Cove, Gamuda Gardens, Horizon Hills, Jade Hills and twentyfive7. Currently, all these sites have water management plans in place*
- *Examples of sites using lake water for landscape irrigation include KPGCC, Horizon Hills Golf and Country Club, Gamuda Gardens Advanced Tree Planting (ATP) nursery, and Kundang Estates ATP nursery*

We are also committed to avoiding or reducing water pollution. All effluents are treated before discharge into waterways in line with local environmental regulations.

Our water management initiatives include:

- Utilising Next-Gen Digital IBS to monitor water consumption data and for efficient water use, including software-controlled water mix for daily concreting; periodic inspections to check for underground pipe leakage
- Reducing wastage by regular checking and scheduled maintenance; preventing and immediately plugging any leaks at all our managed sites and premises
- Engaging external parties, conducting periodic environmental audits and water sampling to ensure no contamination on the surrounding water bodies from our development activities
- Educating our employees on responsible water use and increasing employee awareness on proper water management
- Utilising lake water and harvesting rainwater for landscape irrigation; using rainwater for batching concrete, and for washing and cleaning
- Incorporating water-efficient features across our developments

## WATER RECYCLING AND RAINWATER HARVESTING

One of our main objectives is to reduce our reliance on freshwater consumption by recycling water and harvesting rainwater. To do this, rainwater and surface runoff from large catchment areas is channelled into retention ponds or reservoirs at our development sites for storage and subsequently used for landscape irrigation. Aside from reducing wastage, rainwater harvesting is energy efficient and requires no chemical treatment. This substantially reduces our dependence on potable water.

In line with our Gamuda Green Plan 2025, we are committed to recycling 50 percent of the water used at our construction sites by 2025 and reducing the freshwater demand in developments by 65 percent.

To date, we have recycled 733,643 $m^3$ of surface water (43 percent from total water withdrawal) across our assets and developments.

*Site office at Batu Maung, Penang, Malaysia*

## EROSION CONTROL THROUGH HYDROMULCHING

In Australia, we employ the innovative use of hydromulch. Hydromulch comprises a precise blend of seed, water, wood fibre mulch tackifiers, fertiliser and tracking dye, carefully applied to exposed soil. This unique combination fosters grass growth, ensuring efficient erosion control and soil stability, and also plays a crucial role in preventing dust generation and safeguarding water quality.

Water is introduced into the mixture on-site, and the truck, whether in motion or stationary depending on the landscape type, hydraulically applies the hydromulch across the designated area. This innovative technique not only helps us achieve our construction objectives but also reinforces our commitment to environmentally responsible practices by minimising water usage while delivering effective erosion control and soil stabilisation.

We also utilise Envirostraw Hydromulch, an advanced alternative to conventional hydromulch which yields exceptional results and optimises resource efficiency by using 40 to 50 percent less water. This efficiency translates into enhanced productivity, as we spend less time replenishing the hydromulch tanks, allowing us to cover larger areas more effectively.

# OUR VALUE TO THE ENVIRONMENT

## Addressing Water Issues

Water scarcity has become a pressing global concern, exacerbated by climate change, population growth, rapid urbanisation, and inefficient water management practices. Gamuda considers water scarcity in all areas that we develop, creating solutions to increase water efficiency and ensure sustainable withdrawals and supply of freshwater for current and future generations. This is in line with the United Nations Sustainable Development Goal (UN SDG) Target 6.4 to address water scarcity and substantially reduce the number of people suffering from water scarcity worldwide.

### YEN SO PARK: TREATING WASTEWATER IN VIETNAM


Gamuda City's award-winning Yen So Park and Yen So Sewage Treatment Plant in Hanoi are two of our environmental rehabilitation success stories, where we transformed one of the city's most polluted and inhospitable areas into a thriving urban green lung.

Before the sewage treatment plant, there was no proper sewage system in Hanoi, which led to the contamination of local waterways. After careful planning and design to substantially improve local water quality, the Yen So Sewage Treatment Plant was opened in 2012. Today, the plant treats up to 40 percent of Hanoi's wastewater every day.

During the planning and development stages for Yen So Park, we were careful to protect existing natural features. For example, we carefully transplanted trees from areas designated for Gamuda City's development to the park, where they are now permanently integrated into the landscape. Following its completion in 2012, the 252 acres park has become a popular local community attraction and helped attract subsequent investment and development to Hanoi.

## RASAU WATER TREATMENT PLANT: INCREASING WATER RESERVES IN PENINSULAR MALAYSIA

The Sungai Selangor Water Supply Scheme (SSP3) had historically been the only source of raw water in the Klang Valley region of Peninsular Malaysia. However, water disruptions due to pollution pose an ongoing risk to businesses and livelihoods. Urgent action to ensure water security is necessary as the water supply reserve margin is predicted to decrease to two percent by 2024 if no interventions are made.

Given Gamuda's extensive experience and expertise, in July 2022, we were appointed by Pengurusan Air Selangor Sdn Bhd as the main contractor for the first stage of a new water supply scheme project involving Sungai Rasau.

*The construction of Rasau Water Supply Scheme, is the largest Off-River Storage (ORS) project in the country*

Features of this project include:

- Country's biggest off-river storage (ORS) project and the largest water supply scheme in Southeast Asia, capable of producing approximately 1,400 million litres per day (MLD) of treated water, drawn from ex-mining ponds.
- A 700 MLD water treatment plant near Tanjung Dua Belas
- Twin 2.4 m diameter water pipes, each over 8 km, connecting the intake structure and the water treatment plant
- The Rasau Water Treatment Plant is expected to substantially increase the water reserve margin to 21% and deliver 700 million litres of clean water to 467,000 consumers throughout the region[1]

Nine former tin mining ponds with an area of 1,208 acres between the areas of Petaling and Sepang have been identified as ORS or reservoirs to store raw water from rivers, including Sungai Selangor, Sungai Rasau and Sungai Air Hitam.

With the ability to supply water during drought and store diverted floodwater, this ORS facility is an ideal solution for tackling water security and alleviating the concerns of the residents of Klang and the wider Selangor state. Moreover, this project will also be the first of its kind in Malaysia to help mitigate the impacts of climate change.

Other key ESG aspects of this project include:

**Other key ESG aspects of this project**

- Use of on-site electric bikes
- Rainwater harvesting and the use of recycled water for washing and cleaning
- Material reuse, e.g. office containers and metal barriers from other completed project sites
- Contributions to the surrounding *Orang Asli* community, e.g. job opportunities, road resurfacing, financial support for schools, allowing lorry activities only during after-school hours to ensure better road safety
- Use of solar-powered lights at project site entry

Slated for completion in 2025, the project is expected to significantly reduce the region's dependence on the Sungai Selangor water supply scheme.

[1] *Assuming a daily consumption of 1,500 litres per consumer*

# OUR VALUE TO THE ENVIRONMENT

## Waste Management

We recognise the importance of responsible waste management, including maximising the efficiency of our raw materials and resources, and properly disposing of solid and hazardous waste to reduce our environmental footprint.

Our waste management practices comply with all applicable laws and guidelines. In Malaysia, these include the Solid Waste and Public Cleansing Management Act 2007, Environmental Quality (Scheduled Wastes) Regulations 2005, and Construction Industry Development Board (CIDB) guidelines. In Vietnam, we comply with the Law on Environmental Protection 2020. For FY2023, we have produced 25,403 tonnes of non-recyclable waste, 96 tonnes of hazardous waste, and 2,087 tonnes of recycled waste.

In Australia, we adhere to the National Waste Policy and the Protection of the Environment Operations Act 1997 (POEO Act). However, regulations, policies, and guidelines on waste management and recycling concerning construction and demolition waste differ in each state and territory.

As part of our Gamuda Parks Policy, the Brown Thrust objectives include implementing material and resources conservation efforts using the 6R approach (reuse, reduce, repair, refuse, recycle, and reimagine) in line with the principles of the circular economy to minimise waste generation and comply with applicable waste and materials management laws and regulations.

In line with our Gamuda Green Plan 2025, we have achieved:

**Recycling rate:**
**5.6%** of total waste were recycled from our assets and construction sites

**Landfill avoidance:**
**7.1%** of waste produced from our developments, construction sites, and assets were successfully diverted from the landfill

**Compost waste:**
**6.7%** of food waste were diverted from the landfill by converting it to compost

We also aim to have 90 percent of its units in a development being built with Gamuda Next-Gen Digital IBS to help us facilitate a centralised and efficient waste management approach, minimising waste to almost none.

Our initiatives include:

- Waste segregation (recyclables and non-recyclables)
- Providing recycling bins and food waste bins
- Conducting annual e-waste campaign and providing e-waste bins
- Equipping project sites with recycling facilities for waste recovery and reuse, e.g. landscaping
- Establishing garden waste composting yards to generate compost as fertiliser
- Replacing paper with digital communication tools

**Recycled Waste in FY2023 (kg)**

| 74% | 14% | 11% | 1% |
|---|---|---|---|
| RECYCLE WASTE | FOOD WASTE | GARDEN WASTE | FABRIC WASTE |
| **1,548,680** (metal, wood, paper, and plastic) | **283,964** | **238,602** | **15,788** |

For Green Building Index-related projects, we have also begun requesting that our contractors commit to reducing their waste generated through a Sustainable Construction Plan. These are required when new contracts are awarded. We also acknowledge the difficulty in ensuring that construction and development waste is fully segregated from office waste for certain sites across Australia, and are developing initiatives to address the issue.

Gamuda employees in Malaysia and Vietnam take individual responsibility for waste management, guided by ESG targets integrated into their KPIs. This involves the proper sorting of construction and office waste before disposal, facilitated by training from our QHSE department through the Safety, Health, and Environment Instructions – Waste Management programme. Waste generation at construction sites is monitored monthly by monthly. Quarterly audits conducted by our QSHE department ensure compliance, with findings reported to management. Office waste, including electrical and electronic appliances, is managed by licensed waste contractors, while on-site contractors handle construction waste through licensed contractors.

Additionally, in Vietnam, we promote the use of eco-friendly materials for our employees' daily use, such as uniforms made from bamboo fibres as an alternative to more conventional fabrics, providing biodegradable glass or paper straws, and prohibiting plastic bottled water in all meetings and conferences. We only use paper certified to ISO 9001 Quality Management System (QMS), ISO 14001 Environmental Management System (EMS), and Programme for the Endorsement of Forest (PEFCTM). We have also set up compost chambers at our parks to collect tree branches and leaves, which we convert into compost and use as fertiliser for landscaping.

In Australia, project-specific Waste Management and Spoil Management Plans are developed and implemented, aligning with contractual and planning approval requirements. Regular audits are conducted, and waste is monitored and disposed of by licensed contractors, who track it using GPS, weighbridges, and sorting data to assist in their landfill-diversion data collection processes.

It is estimated that around **90%** of construction and demolition waste from our operations in Australia is diverted from the landfill

# OUR VALUE TO THE ENVIRONMENT

## CONSERVING BIODIVERSITY

We comply with regulatory requirements and go beyond required environmental impact assessments (EIA) to conduct biodiversity and carbon stock assessments, especially in areas near nature reserves. In particular, biodiversity assessments are conducted prior to the start of each project to help us gain a robust understanding of the natural ecosystems and develop a biodiversity conservation plan before development occurs. Our projects in Australia, such as Sydney Metro West – Western Tunnelling Package and Coffs Harbour Bypass, have also obtained the necessary environmental protection licenses.

### A Role in the Revision of The National Policy on Biological Diversity

Gamuda endeavours to align with Malaysia's National Policy on Biological Diversity (NPBD), with a particular emphasis on Goals 1*, 3*, and 5*. These goals directly correspond to the objectives outlined in our Gamuda Green Plan 2025. We are part of the working group dedicated to formulating a comprehensive business and biodiversity action plan within the framework of the currently under revision National Policy on Biological Diversity (NPBD) for the period 2021-2030.

The primary objective is to align with and support the business-centric targets of the Kunming–Montreal Global Biodiversity Framework (GBF) adopted by Malaysia during the 15$^{th}$ Conference of the Parties (COP15) at the Convention on Biological Diversity (CBD) in Kunming, China. In this capacity, our responsibility is to thoroughly assess the GBF's relevance to the construction and infrastructure industry, and the broader Malaysian business landscape. We are committed to assisting the government in achieving the business-related targets outlined in the GBF, emphasising the critical role that non-state actors, such as businesses and financial institutions, play in realising the Convention's objectives.

We actively participate in the multi-stakeholder working group and are committed to bold domestic actions to address the global biodiversity crisis. Beyond compliance and reporting, we recognise the construction industry's substantial climate impact. To mitigate this, we reduce our carbon footprint through eco-friendly materials, energy conservation, and biodiversity efforts. We prioritise urban liveability by preserving the natural environment, combatting the urban heat island effect, and minimising pollution. We believe exceeding regulatory standards and encouraging industry-wide action are essential to create a more sustainable future.

### PREPARING FOR TNFD DISCLOSURE

Gamuda is proactively preparing for the Taskforce on Nature-related Financial Disclosures (TNFD) reporting on nature-related dependencies, impacts, risks and opportunities, which are consistent with the Task Force on Climate-related Financial Disclosures (TCFD) and the International Sustainability Standards Board (ISSB) guidelines and recommendations, and aligned with the goals and targets of the Kunming-Montreal Global Biodiversity Framework.

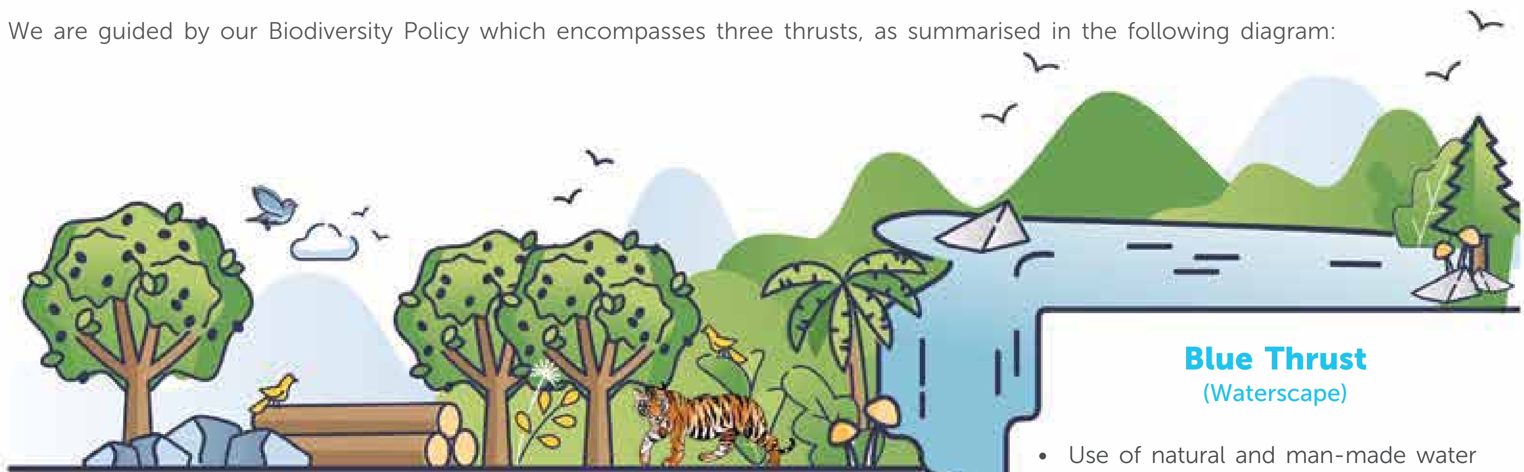
While the TNFD is currently a voluntary, market-led initiative, we anticipate that it will become compulsory and recognise that nature and biodiversity loss should be taken as seriously as climate change. We are dedicated to staying ahead of the curve and ensuring that our approaches are up to date with the latest developments, to not only meet regulatory requirements but also contribute to global biodiversity conservation efforts.

*Peacock pansy (Junonia almana) sighted at Valencia, Selangor, Malaysia*

**Note: Gamuda aligns with the following goals of the NBPD*
*Goal 1: Empower all stakeholders to conserve biodiversity*
*Goal 3: Safeguard all our key ecosystems, species and genetic diversity*
*Goal 5: Improve the capacity, knowledge, and skills of all stakeholders*

To ensure that our landscape management, biodiversity, and conservation approaches are well-informed and holistic, we are committed to consulting with various stakeholders, including the *Orang Asli*, research institutes and environmental experts, and NGOs, such as Wetlands International Malaysia (WIM), Forest Research Institute Malaysia (FRIM), and the Global Environment Centre (GEC).

We are guided by our Biodiversity Policy which encompasses three thrusts, as summarised in the following diagram:



**Brown Thrust**
(Material and natural resources)

- Implementation of material and resources conservation initiatives (part of 6R initiative)
- Design and development of hardscapes that complement and protect the biodiversity management initiatives under softscape (Green Thrust) and waterscape (Blue Thrust)
- Creation of an environment to improve the aesthetic value of urban green spaces
- Promotion of a healthy lifestyle for local community residents
- Organising community education and awareness programmes
- Compliance with laws and regulations regarding waste and materials management

**Green Thrust**
(Flora and fauna)

- Leveraging biodiversity to minimise environmental pollution
- Biodiversity conservation, including local flora and fauna, and historically valuable heritage tree species
- Organising community education and awareness programmes
- Creation of urban green spaces to benefit the environment and the community
- Compliance with local laws and regulations governing biodiversity protection and the environment concerning water quality, air quality and soil and groundwater quality

**Blue Thrust**
(Waterscape)

- Use of natural and man-made water bodies (retention ponds, swales, stormwater drainage channels) to minimise environmental pollution and improve water quality
- Biodiversity conservation of aquatic flora and other plants with historical or natural heritage value
- Organising community education and awareness programmes
- Creation of water-themed components to benefit the environment and the community
- Compliance with laws and regulations per the protection of aquatic biodiversity and the environment in terms of water quality, air quality and soil and groundwater quality
- Identification, protection and rehabilitation of key habitats or vulnerable ecosystems

In support of the operationalisation of the policy, our Biodiversity Management Strategy outlines our approach and direction with measures which consider all stages of development, i.e. planning, pre-construction, construction and post-construction (occupation). More specifically, our Gamuda Land Policy and Procedure also incorporates biodiversity studies in the pre-development (during the EIA stage) and the during/post-development[1] stages.

Each year, a dedicated budget is allocated to biodiversity-related initiatives, which are managed by Gamuda Parks. This includes the Gamuda Parks Urban Ecology Biodiversity (GUEB) Programme, which introduces a collaborative knowledge exchange among Gamudians, in-house and external experts discussing biodiversity and sustainability. GUEB's objective is to nurture in-house talents with biodiversity knowledge, equipping them with practical and technical skills.

In FY2023, a total of RM1,275,900 was invested in biodiversity-related projects, where Gamuda Land entered into a Memorandum of Understanding (MoU) with both University Malaya and University Kebangsaan Malaysia. Moreover, a Memorandum of Collaboration (MoC) was established with the University of Kuala Lumpur, facilitating research partnerships aimed at leveraging resources and expertise from both sectors to accomplish shared objectives in long-term biodiversity and sustainable landscape management.

In FY2023, a total of **RM1.27 million** was invested in biodiversity-related projects

[1] *During/post-development biodiversity studies may be conducted after three to five years of development (or abandonment/postponement) to measure the progress in biodiversity enhancement in comparison to the pre-development study.*

# OUR VALUE TO THE ENVIRONMENT

## ADVANCED TREE PLANTING NURSERY

Gamuda operates Advanced Tree Planting (ATP) nurseries in Malaysia, where we cultivate over 250 species of flora in four main categories: native and wild fruit trees, streetscape trees and plants, ornamental plants, and unique plant selections for wetlands. When the trees are ready for replanting, they are transported to support our #OneMillionTrees planting programme. To ensure faster growth, better adaptation and survival, we keep young trees and saplings in the ground for at least two years before transplanting them to our developments.

As of June 2023, this project has facilitated the propagation of 612,072 trees and saplings of more than 250 local tree species.

Under Pillar 3 of our Gamuda Green Plan 2025, we have also allocated three ATP nurseries (over an area of 43 acres across Gamuda Cove, Kundang Estates, and Gamuda Gardens) to support the development of 2,000 acres of greenscapes and waterscapes across six urban forest clusters (Klang Valley only) within our developments by 2025. This will help facilitate ambient cooling, carbon storage, and rainwater runoff management and foster community well-being.

To track the health and survival of our planted trees, all trees are tagged and monitored through a digitalised process using our Gamuda Parks Canopy App. The in-house developed app is a tool for remote management and monitoring of all our trees and provides an interactive experience for our park visitors

*ATP nursery at Gamuda Cove, Selangor, Malaysia*

## PRESERVING TREES AT OUR HO CHI MINH CITY OFFICE

At our Ho Chi Minh City office in Vietnam, we have taken a non-disruptive approach to our worksite by preserving the existing trees within the buildings. Instead of cutting them down, we strategically constructed our office spaces around these trees, allowing them to remain a natural and integral part of our working environment.

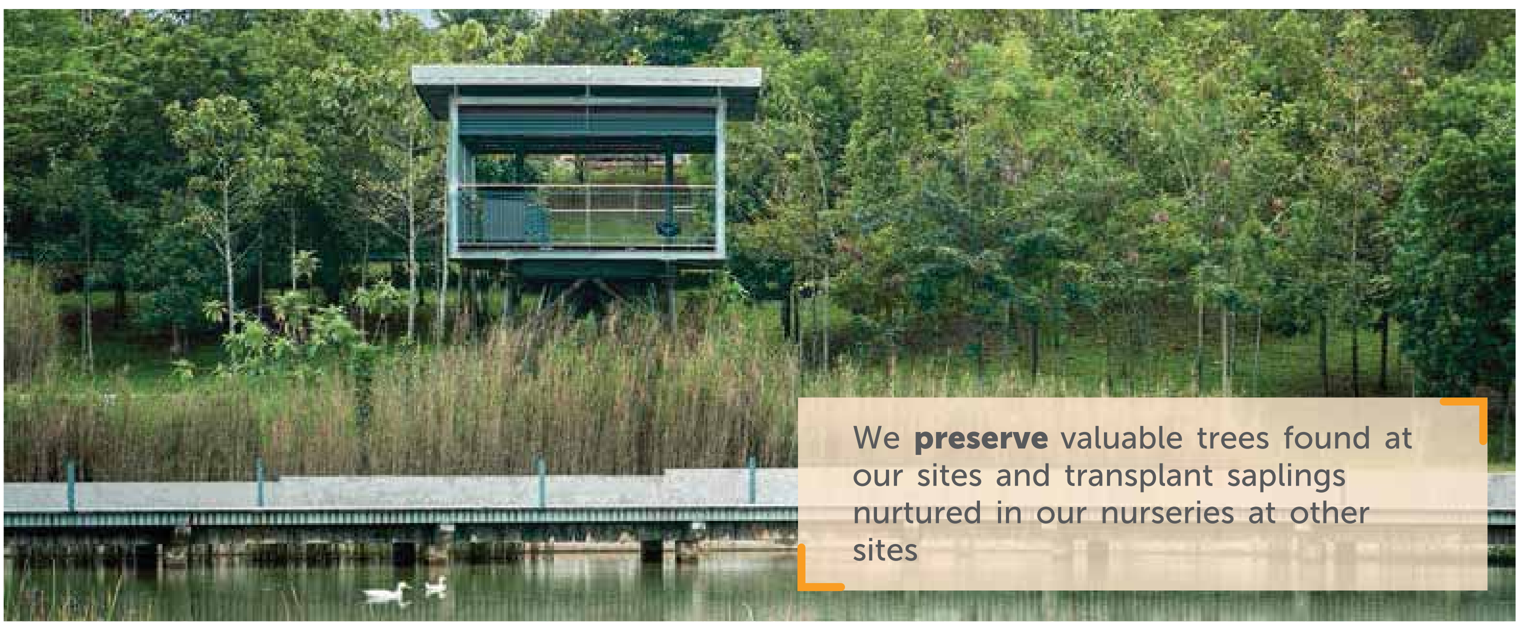
*Site office, Ho Chi Minh City, Vietnam*

## FOREST RESTORATION USING THE MIYAWAKI METHOD

To restore areas with degraded soil quality, we use the Miyawaki method, developed by Japanese botanist, Akira Miyawaki. This forest restoration technique involves planting trees in clusters to emulate our natural forest. It requires minimal maintenance and promotes accelerated forest growth compared to traditional afforestation methods.

Our version of this method involves nurturing saplings in polythene bags through our ATP technique at our nursery to reduce transplanting shock and increase survival rates. Once matured, we plant the trees in our developments and monitor them annually.

We aim to increase the number of endangered tree species to at least five percent of the total trees in a given area. To help achieve this, we preserve all valuable trees found at our sites and transplant saplings nurtured in our nurseries at other sites.



We **preserve** valuable trees found at our sites and transplant saplings nurtured in our nurseries at other sites

# OUR VALUE TO THE ENVIRONMENT

## TRANSLOCATION OF NATIVE PLANT SPECIES

For the Coffs Harbour Bypass project in Australia, we have enabled and supported the translocation of two native tree species initiative namely the *Fointainea sp. Coffs Harbour* and *Pittosporum sp. Coffs Harbour*, led and implemented by Transport for NSW. This meticulous process involves the careful uprooting and relocation of these trees to designated alternative sites, ensuring their preservation and continued contribution to the region's ecological heritage.

Applied **world's first** technique with genetic analysis by the Royal Botanic Garden Sydney

*Pittosporum sp. Coffs Harbour*

## PROTECTING ENDANGERED SPECIES

*Nile hippopotamuses (Hippopotamus amphibious) are the main attraction at Paya Indah Discovery Wetlands*

To minimise the footprint of our developments on the natural environment, we conduct mandatory biodiversity study or assessments (such as canopy mapping and wildlife counting) with environmental experts from FRIM and WIM to determine and document the species of flora and fauna for our projects in Malaysia.

Conducted before, during, and after development, biodiversity assessments help to establish a baseline and measure our level of progress in improving biodiversity, which informs our conservation planning and management decisions. We aim to protect all biodiversity in our areas, particularly endangered species.

Between March and June 2023, we conducted a biodiversity assessment at Gamuda Gardens. The assessment found 185 species of insects and 61 species of vertebrates, including birds, mammals, and reptiles which is an increase by 200 percent of fauna species since the assessment in 2018.

To help conserve and protect these endangered bird species, we create pollinator gardens – habitats with native flowering plants that attract and support pollinators such as bees, birds, or small animals. We also make available perches to attract more birds and use the Miyawaki method to plant fruit trees.

## SEEDLING RESEARCH CENTRE

*Green planting initiatives are important for a sustainable future, and the younger generation is the key to making it a reality*

In November 2021, our nursery at Yen So Park underwent a visionary transformation to become to become our first Seedling Research Centre (SRC). Located on the Iconic Island and spanning approximately 10,000 square metres ($m^2$), the SRC supports a diverse collection of more than 10,000 plants representing 23 distinct species. It functions as:

**A hub for cultivating premium plant specimens** which we can use to enhance the Gamuda City softscape

**A research centre for new plant species** to enhance the park's biodiversity

**A training centre for new staff**, providing them with hands-on experience and honing their expertise in park maintenance

**A collaborative platform where we engage with community partners and NGOs** to organise green activities, such as kindergarten school tours, tree planting initiatives, and donating trees to NGOs or for community events

# OUR VALUE TO THE ENVIRONMENT

## WETLANDS ARBORETUM CENTRE

Although wetlands only cover a fraction of the earth's surface, we understand their crucial role in reducing carbon emissions and the effects of climate change. In August 2023, we converted 90 acres of reserved land in Gamuda Cove, adjacent to the Paya Indah Discovery Wetlands, into a Wetlands Arboretum Centre.

The Wetlands Arboretum Centre (WAC), developed together with **FRIM** and researchers from **Universiti Malaya**, is home to over **300** carefully curated, native species of flora and fauna. To date, a total of **6,500** trees have been planted. Priority were given to 3,000 trees with conservation importance and 200 trees are classified as protected species under the International Union for Conservation of Nature Red List of Threatened Species (IUCN Red List).

The Arboretum, utilising the Miyawaki method, plants trees directly on the ground to create a forest-like setting, distinct from traditional nurseries. Prioritising native and endangered plant species from the IUCN Red List, it employs advanced monitoring for their survival.

Functioning as a research center and seed bank, the WAC fosters biodiversity conservation research and supplies saplings for their developments. Furthermore, it serves as a living tree museum, featuring wetland environments with pathways for various activities such as jogging, jungle trekking, and birdwatching.

The WAC, doubling as a welcome pavilion and central hub for visitors, holds an EDGE Advanced (Zero Carbon Ready) certification, boasting remarkable achievements such as 100 percent energy reduction, 85 percent water reduction, and 58 percent less embodied carbon in materials. Fostering a strong bond with two nearby *Orang Asli* villages, the center operates a café and cultural workshops, demonstrating a commitment to this partnership. Notably, the employment of two *Orang Asli* rangers in the café operations underscores the integration of their traditional knowledge, as outlined in the Indigenous People section of Chapter 3.

***Wetlands Arboretum Centre, Gamuda Cove, Selangor, Malaysia***

Planted **6,500 tress** mainly native species with high conservation importance (under IUCN Red list)

## GREEN SPACES

In addition to our efforts to safeguard and preserve biodiversity, we also undertake bio-restoration in areas where it is necessary. By studying and replicating local ecosystems, we aim to attract and encourage the natural movement and establishment of flora and fauna. At Central Park in Gamuda Gardens, Malaysia, we introduced different species of *Shorea, Dipterocarpus, Cinnamomum, Alstonia* and other fruit trees, which have subsequently attracted various birds and fauna from the nearby Bukit Lagong and Kanching forest reserves. Our dedicated efforts have transformed Gamuda Gardens from a barren and abandoned rubber plantation into a much sought-after development with a thriving and biodiverse ecosystem.

During the planning and development stages for Yen So Park in Hanoi, we placed significant emphasis on safeguarding the existing natural features. Notably, we orchestrated the careful transplantation of trees from areas earmarked for the development of Gamuda City to the park, where they have seamlessly become a permanent part of the landscape. As a result of these conservation efforts, the 252 acres park, completed in 2012, has evolved into a beloved local community hub, playing a vital role in fostering subsequent investment and development within Hanoi. Additionally, at our Project, Artisan Park, in Binh Duong, Vietnam, we have preserved approximately 176 existing native trees, which have been repurposed into a park adjacent to the development.

***Jade Hills, Selangor, Malaysia***

# OUR VALUE TO THE ENVIRONMENT

## OUR ENVIRONMENTAL FOOTPRINT AT SILICON ISLAND, PENANG

*The artist's impression of Penang South Island (PSI) project, also known as Silicon Island*

Aligned with the United Nations Sustainable Development Goals, the state government's vision of Penang 2030, and the Penang Green Agenda for sustainable development, Silicon Island is poised to be a benchmark development embedding sustainability within its design, construction and operation.

These sustainability elements helped Silicon Island receive the recognition with the coveted 5 Diamond Design Award under the Low Carbon Cities 2030 Challenge by the Malaysian Green Technology and Climate Change Corporation (MGTC) in 2022.

Silicon Island won the **5 DIAMOND** for Design Award under the **Low Carbon Cities 2030 Challenge** by MGTC in 2022

Additionally, we seek to achieve 50 percent reduction in $CO_2$e emissions intensity compared to business as usual by 2030 via:

**40%** reduction in urban planning emissions with sustainable masterplanning, shared facilities, climate-responsive design and green features

**80%** reduction in transport emissions with an integrated transport system

**40%** reduction in non-RE use from SLE buildings with efficient coolings systems, smart features, and RE installation

**100%** RE to power the Green Tech Park


*Universiti Sains Malaysia's Centre of Marine and Coastal Studies (CEMACS) director Prof Datuk Aileen Tan with her research officer studying turbid water coral. Prof Tan is spearheading studies on how to improve fish stock in Penang under the Penang South Reclamation Ecology Offset Master Plan (PEOM)*

### Enhancing The Marine Ecosystem and Increasing Fish Stocks

As part of the Penang South Reclamation Ecology Offset Masterplan (PEOM), we are currently collaborating with scientists, researchers, and the Fisheries Department to conduct marine studies to implement the PEOM. This includes the deployment of artificial reefs and fish aggregating devices (FADs), releasing fish and prawn fries for restocking, and ecology enhancements to the coastline of Silicon Island. The PEOM also includes a mangrove planting programme in collaboration with Forestry Department to plant 200,000 mangrove trees and other coastal species at selected locations within Penang State by 2030. It will include funding for research programmes, including on underwater noise pollution, prawn migration and coral recruitment at Pulau Kendi. The PEOM's objective is not only to mitigate negative impacts on the marine ecosystem but also to enhance it and boost fish stocks, ultimately benefiting the local fishing communities.

# OUR GLOBAL ALIGNMENT

## ESG PERFORMANCE DATA

### GENERAL DISCLOSURES

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Group level** | | | | |
| **Board composition by gender** | | | | |
| Male | no. | 3 | 4 | 4 |
| Female | no. | 4 | 3 | 3 |
| Women representation on board | % | 57* | 43 | 43 |
| **Board composition by age** | | | | |
| Under 30 years old | no. | 0 | 0 | 0 |
| 30-50 years old | no. | 0 | 0 | 0 |
| Over 50 years old | no. | 7* | 7 | 7 |

**Percentage of individuals within the Gamuda Berhad's Board of Directors, by age group and gender was subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232*

### SUPPLY CHAIN MANAGEMENT

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Proportion of spending on local suppliers** | | | | |
| Malaysia | % | 94* | 99 | 98 |
| Vietnam | % | 98* | N/A | N/A |
| Australia | % | 98* | N/A | N/A |

**Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation was subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232*

### OUR VALUE TO PEOPLE

*Employees*

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| Total employees (headcount) | no. | 4,219 | 3,895 | 3,615 |
| **Employees by employment type** | | | | |
| Permanent | % | 77 | N/A | N/A |
| Fixed-term contract/temporary | % | 23 | N/A | N/A |
| **Employees by gender** | | | | |
| Male | no. | 2,631 | 2,493 | 2,350 |
| Female | no. | 1,588 | 1,402 | 1,265 |
| **Employees by age** | | | | |
| Under 30 years old | no. | 1,125 | 935 | 940 |
| 30-50 years old | no. | 2,581 | 2,454 | 2,205 |
| Over 50 years old | no. | 513 | 506 | 470 |
| **Employees by ethnicity (Malaysia only)** | | | | |
| Bumiputera | no. | 1,894 | 1,792 | 1,735 |
| Chinese | no. | 1,180 | 1,090 | 1,084 |
| Indian | no. | 238 | 195 | 181 |
| Others | no. | 29 | 818 | 615 |
| **Employees by countries** | | | | |
| Malaysia | no. | 3,341 | 3,895 | 3,615 |
| Vietnam | no. | 456 | N/A | N/A |
| Australia | no. | 422 | N/A | N/A |

## OUR VALUE TO PEOPLE

*Employees*

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Employees' gender by employee category** | | | | |
| **Management** | | | | |
| Male | no. | 1,002 | 863 | 731 |
| Female | no. | 467 | 388 | 314 |
| **Executive** | | | | |
| Male | no. | 663 | 534 | 511 |
| Female | no. | 582 | 492 | 419 |
| **Non-executive** | | | | |
| Male | no. | 966 | 1,100 | 1,115 |
| Female | no. | 539 | 518 | 525 |
| **Employees' age by employee category** | | | | |
| **Management** | | | | |
| Under 30 years old | no. | 118 | 38 | 10 |
| 30–50 years old | no. | 1,059 | 938 | 784 |
| Over 50 years old | no. | 292 | 275 | 251 |
| **Executive** | | | | |
| Under 30 years old | no. | 437 | 339 | 344 |
| 30–50 years old | no. | 713 | 625 | 530 |
| Over 50 years old | no. | 95 | 62 | 56 |
| **Non-executive** | | | | |
| Under 30 years old | no. | 570 | 566 | 590 |
| 30–50 years old | no. | 809 | 906 | 886 |
| Over 50 years old | no. | 126 | 146 | 164 |
| **Number of new hires** | | | | |
| **By age group** | | | | |
| Under 30 years old | no. | 722* | N/A | N/A |
| 30–50 years old | no. | 727* | N/A | N/A |
| Over 50 years old | no. | 84* | N/A | N/A |
| **By gender** | | | | |
| Male | no. | 928* | N/A | N/A |
| Female | no. | 605* | N/A | N/A |
| **By employee category** | | | | |
| Management | no. | 406 | N/A | N/A |
| Executive | no. | 475 | N/A | N/A |
| Non-executive | no. | 652 | N/A | N/A |
| **Leave utilisation** | | | | |
| **Employees who took parental leave** | | | | |
| Male | no. | 61 | 67 | 87 |
| Female | no. | 50 | 61 | 69 |
| **Employees who took family care leave** | no. | 1,379 | 885 | 551 |

**The number of new employee hires and employee turnover during the reporting period (by age group and by gender) were subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232*

# OUR GLOBAL ALIGNMENT

| OUR VALUE TO PEOPLE | | | | |
|---|---|---|---|---|
| *Employees* | | | | |
| **Description** | **UoM** | **FY2023** | **FY2022** | **FY2021** |
| **Number of turnover** | | | | |
| **By age group** | | | | |
| Under 30 years old | no. | 191* | N/A | N/A |
| 30–50 years old | no. | 296* | N/A | N/A |
| Over 50 years old | no. | 26* | N/A | N/A |
| **By gender** | | | | |
| Male | no. | 299* | N/A | N/A |
| Female | no. | 214* | N/A | N/A |
| **By employee category** | | | | |
| Management | no. | 115 | N/A | N/A |
| Executive | no. | 168 | N/A | N/A |
| Non-executive | no. | 230 | N/A | N/A |
| **Average hours of training by countries** | | | | |
| **Malaysia** | | | | |
| Average learning hours per employee | hours | 19.5 | 14.2 | N/A |
| **Average learning hours per employee by gender** | | | | |
| Male | hours | 16.6 | 13.1 | N/A |
| Female | hours | 24.3 | 16.0 | N/A |
| **Average learning hours per employee category** | | | | |
| Management | hours | 21 | 17.9 | N/A |
| Executive | hours | 22.6 | 21.5 | N/A |
| Non-executive | hours | 15.1 | 6.9 | N/A |
| **Vietnam** | | | | |
| Average learning hours per employee | hours | 16 | N/A | N/A |
| **Average learning hours per employee by gender** | | | | |
| Male | hours | 15.7 | N/A | N/A |
| Female | hours | 16.3 | N/A | N/A |
| **Average learning hours per employee category** | | | | |
| Management | hours | 12 | N/A | N/A |
| Executive | hours | 22 | N/A | N/A |
| Non-executive | hours | 8 | N/A | N/A |
| **Australia** | | | | |
| Average learning hours per employee | hours | 2.4 | N/A | N/A |
| **Average learning hours per employee by gender** | | | | |
| Male | hours | 3.4 | N/A | N/A |
| Female | hours | 2.4 | N/A | N/A |
| **Average learning hours per employee category** | | | | |
| Management | hours | 3 | N/A | N/A |
| Executive | hours | 3 | N/A | N/A |
| Non-executive | hours | 6 | N/A | N/A |

* *The number of new employee hires and employee turnover during the reporting period (by age group and by gender) were subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232*

## OUR VALUE TO PEOPLE

| *Employees* | | | | |
|---|---|---|---|---|
| **Description** | **UoM** | **FY2023** | **FY2022** | **FY2021** |
| **Total investment in employee learning and development** | | | | |
| Malaysia | RM | 2.88 million | 1.85 million | N/A |
| Vietnam | VND | 1.35 billion | N/A | N/A |
| Australia | AUD | 1.21 million | N/A | N/A |

## SAFETY AND HEALTH

| **Description** | **UoM** | **FY2023** | **FY2022** | **FY2021** |
|---|---|---|---|---|
| Employees covered by occupational health and safety management system | % | 100 | 100 | 100 |
| Contractors covered by occupational health and safety management system | % | 100 | 100 | 100 |
| **Safety performance (Employees)** | | | | |
| **Malaysia** | | | | |
| **Menara Gamuda** | | | | |
| Total hours worked | hour | 1,590,399 | 1,477,584 | 1,399,464 |
| Number of fatalities | no. | 0 | 0 | 0 |
| Number of reportable injuries | no. | 0 | 0 | 0 |
| Number of days lost | day | 0 | 0 | 0 |
| Fatality rate | % | 0 | 0 | 0 |
| Injury rate | % | 0 | 0 | 0 |
| Rate of lost days | % | 0 | 0 | 0 |
| Lost Time Injury Frequency Rate (LTIFR) | % | 0* | 0 | 0 |
| **Gamuda Engineering** | | | | |
| Total hours worked | hour | 1,790,677 | 318,938 | N/A |
| Number of fatalities | no. | 0 | 0 | N/A |
| Number of reportable injuries | no. | 0 | 0 | N/A |
| Number of days lost | day | 0 | 0 | N/A |
| Fatality rate | % | 0 | 0 | N/A |
| Injury rate | % | 0 | 0 | N/A |
| Rate of lost days | % | 0 | 0 | N/A |
| Lost Time Injury Frequency Rate (LTIFR) | % | 0* | 0 | N/A |
| **Gamuda Land** | | | | |
| Total hours worked | hour | 2,559,448 | 1,340,768 | 1,885,312 |
| Number of fatalities | no. | 0 | 0 | 0 |
| Number of reportable injuries | no. | 0 | 0 | 0 |
| Number of days lost | day | 0 | 0 | 0 |
| Fatality rate | % | 0 | 0 | 0 |
| Injury rate | % | 0 | 0 | 0 |
| Rate of lost days | % | 0 | 0 | 0 |
| Lost Time Injury Frequency Rate (LTIFR) | % | 0* | 0 | 0 |

**The numbers reported in this table captured the overall data from sites within our reporting scope. LTIFR for selected operating units (Menara Gamuda, twentyfive7, Masterpave, IOI Gems Residences, and Diamond Alnata Plus) was subject to an independent limited assurance by an external 3rd party. Refer to the independent limited assurance report on pages 229 to 232*

# OUR GLOBAL ALIGNMENT

## SAFETY AND HEALTH

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Safety performance (contractor)** | | | | |
| **Malaysia** | | | | |
| **Gamuda Engineering** | | | | |
| Total hours worked | hour | 517,620 | 1,819,500 | N/A |
| Number of fatalities | no. | 0 | 0 | N/A |
| Number of reportable injuries | no. | 0 | 0 | N/A |
| Number of days lost | day | 0 | 0 | N/A |
| Fatality rate | % | 0 | 0 | N/A |
| Injury rate | % | 0 | 0 | N/A |
| Rate of lost days | % | 0 | 0 | N/A |
| Lost Time Injury Frequency Rate (LTIFR) | % | 0* | 0 | N/A |
| **Gamuda Land** | | | | |
| Total hours worked | hour | 6,791,134 | 6,623,361 | 7,068,050 |
| Number of fatalities | no. | 0 | 0 | 0 |
| Number of reportable injuries | no. | 0 | 0 | 0 |
| Number of days lost | day | 0 | 0 | 0 |
| Fatality rate | % | 0 | 0 | 0 |
| Injury rate | % | 0 | 0 | 0 |
| Rate of lost days | % | 0 | 0 | 0 |
| Lost Time Injury Frequency Rate (LTIFR) | % | 0* | 0 | 0 |

***The numbers reported in this table captured the overall data from sites within our reporting scope. LTIFR for selected operating units (Menara Gamuda, twentyfive7, Masterpave, IOI Gems Residences, and Diamond Alnata Plus) was subject to an independent limited assurance by an external 3rd party. Refer to the independent limited assurance report on pages 229 to 232*

## DATA PRIVACY AND SECURITY

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| Number of substantiated complaints concerning breachers of customer privacy and losses of customer data | no. | 0 | 0 | 0 |

## ANTI-CORRUPTION

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| Number of selected employees who have received training on anti-corruption by employee category: | | | | |
| Management | no. | 64 | 33 | 110 |
| Percentage of operations assessed for corruption-related risks | % | 100 | 100 | 100 |
| Confirmed incidents of corruption | no. | 0 | 0 | 0 |
| Action taken | no. | 0 | 0 | 0 |
| Total percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to | % | 100 | 100 | 0 |
| Number of corruption cases reported within Gamuda and whole of supply chain | no. | 0 | 0 | 0 |
| Total fine/penalty received in regards of corruption | no. | 0 | 0 | 0 |
| Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption | no. | 0 | 0 | 0 |
| Public legal cases regarding corruption brought against the organisation or its employees | no. | 0 | 0 | 0 |
| Total number and percentage of employees communicated on Group's anti-corruption policies and procedures | no. | 3,987* (97%) | 3,698 (95%) | N/A |

* *The number and percentage of employees communicated on Group's anti-corruption policies and procedures were subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232*

## COMMUNITY INVESTMENT

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Yayasan Gamuda** | | | | |
| **Gamuda Scholarship** | | | | |
| Total contributions | RM | 20,000,000 | 12,600,000 | 3,900,000 |
| Scholarship offered | no. | 79 | 53 | 27 |
| **Star Golden Hearts Award** | | | | |
| Total contributions | RM | N/A | 249,000 | 200,000 |
| Recipients | no. | 10 | 10 | 10 |
| **Enabling Academy (EA)** | | | | |
| Total number of stakeholders engaged by type | | | | |
| ETP Practitioners' Workshop | no. | 253 | 141 | 162 |
| Gamuda employees | no. | 339 | 59 | 25 |
| Government agencies | no. | 125 | 73 | 56 |
| Individuals | no. | 1,471 | 1 | 198 |
| Organisations, NGOs & Private Centres | no. | 46 | 258 | 74 |
| Partner companies (include JC introductory workshop) | no. | 348 | 344 | 347 |
| Universities/institutions | no. | 321 | 370 | 87 |
| **Grand Total** | | **2,903** | **1,246** | **949** |
| Total EA graduates | no. | 7 | 10 | 20 |
| Total EA trainees (training in progress) | no. | 10 | – | – |

# OUR GLOBAL ALIGNMENT

| OUR VALUE TO ENVIRONMENT | | | | |
|---|---|---|---|---|
| **Description** | **UoM** | **FY2023** | **FY2022** | **FY2021** |
| **Intensity** | | | | |
| GHG emissions intensity ratio for the organisation | $tCO_2e$/RM million revenue | 3.6[2] | 4.7[1] | N/A |
| **Gross direct (Scope 1) GHG emissions**<br>**Excluding emission from refrigerants* | | | | |
| Total | $tCO_2e$ | 6,718 | 8,428 | 2,995 |
| **Gross direct (Scope 1) GHG emissions by categories**<br>**Excluding emission from refrigerants* | | | | |
| Total | $tCO_2e$ | 6,718 | 8,428 | 2,995 |
| Managed infrastructures | $tCO_2e$ | 4,973 | 3,298 | 1,251 |
| Construction sites | $tCO_2e$ | 158 | 6 | 1,740 |
| Operating plants | $tCO_2e$ | 1,586 | 5,124 | 4 |
| **Gross direct (Scope 1) GHG emissions by HQ**<br>**Excluding emission from refrigerants* | | | | |
| Menara Gamuda | $tCO_2e$ | 120 | 44 | 3 |
| Gamuda Engineering Australia<br>**100 Miller St.* | $tCO_2e$ | 0 | N/A | N/A |
| Gamuda Land HCMC<br>**HCMC Office and Celadon Sports & Resort Club* | $tCO_2e$ | 0 | N/A | N/A |
| **Gross direct (Scope 1) GHG emissions by development**<br>**Excluding emission from refrigerants* | | | | |
| Horizon Hills<br>**Horizon Hills Golf and Country Club is only 50 percent operational control* | $tCO_2e$ | 85 | 240 | N/A |
| Silicon Island Penang | $tCO_2e$ | 15 | 13 | N/A |
| Bukit Bantayan | $tCO_2e$ | 2 | 8 | N/A |
| Gamuda Cove | $tCO_2e$ | 372 | 634 | N/A |
| Gamuda Gardens | $tCO_2e$ | 73 | 62 | N/A |
| HighPark Suites | $tCO_2e$ | 0 | 0 | N/A |
| Jade Hills | $tCO_2e$ | 8 | 4 | N/A |
| Kota Kemuning<br>**Gamuda Walk Mall* | $tCO_2e$ | 0 | 0 | N/A |
| twentyfive7 | $tCO_2e$ | 193 | 0 | N/A |
| Valencia | $tCO_2e$ | 0 | 0 | N/A |
| Artisan Park | $tCO_2e$ | 0 | N/A | N/A |
| Gamuda Land HCMC<br>**includes HCMC HQ* | $tCO_2e$ | 0 | N/A | N/A |

## OUR VALUE TO ENVIRONMENT

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Gross location-based energy indirect (Scope 2) GHG emissions** | | | | |
| Total | $tCO_2e$ | 20,107 | 18,147 | 13,588 |
| **Gross location-based energy indirect (Scope 2) GHG emissions by categories** | | | | |
| Total | $tCO_2e$ | 20,107 | 18,147 | 13,588 |
| Managed infrastructures | $tCO_2e$ | 18,737 | 16,342 | 7,155 |
| Construction sites | $tCO_2e$ | 857 | 29 | 5,181 |
| Operating Plants | $tCO_2e$ | 513 | 1,776 | 1,252 |
| **Gross location-based energy indirect (Scope 2) GHG emission by HQ** | | | | |
| Menara Gamuda | $tCO_2e$ | 254 | 1,574 | 1,257 |
| Gamuda Engineering Australia<br>**100 Miller St.* | $tCO_2e$ | 27 | N/A | N/A |
| Gamuda Land HCMC<br>**HCMC Office and Celadon Sports & Resort Club* | $tCO_2e$ | 356 | N/A | N/A |
| **Gross location-based energy indirect (Scope 2) GHG emissions by Development** | | | | |
| Horizon Hills<br>**Horizon Hills Golf and Country Club is only 50 percent operational control* | $tCO_2e$ | 791 | 1,321 | NA |
| Silicon Island Penang | $tCO_2e$ | 117 | 45 | NA |
| Bukit Bantayan | $tCO_2e$ | 652 | 612 | NA |
| Gamuda Cove | $tCO_2e$ | 2,666 | 2,550 | NA |
| Gamuda Gardens | $tCO_2e$ | 1,564 | 787 | NA |
| HighPark Suites | $tCO_2e$ | 1,104 | 1,421 | NA |
| Jade Hills | $tCO_2e$ | 678 | 633 | NA |
| Kota Kemuning<br>**Gamuda Walk Mall* | $tCO_2e$ | 1,171 | 2,155 | NA |
| twentyfive7 | $tCO_2e$ | 6,623 | 5,229 | NA |
| Valencia | $tCO_2e$ | 649 | 575 | NA |
| Artisan Park | $tCO_2e$ | 0 | NA | NA |
| Celadon City<br>**includes HCMC HQ* | $tCO_2e$ | 1,134 | NA | NA |

# OUR GLOBAL ALIGNMENT

| OUR VALUE TO ENVIRONMENT | | | | |
|---|---|---|---|---|
| **Description** | **UoM** | **FY2023** | **FY2022** | **FY2021** |
| **Gross other indirect (Scope 3) GHG emissions** | | | | |
| Total | $tCO_2e$ | 130,008 | 5,709 | N/A |
| **Gross other indirect (Scope 3) GHG emissions by categories** | | | | |
| **Malaysia** | | | | |
| Purchased Goods and Services | $tCO_2e$ | 91,636 | 37,927 | N/A |
| Waste Generated in Operations | $tCO_2e$ | 392 | 313 | N/A |
| Business Travels | $tCO_2e$ | 774 | 216 | N/A |
| Employee Commuting | $tCO_2e$ | 28,651 | 18,361 | N/A |
| Downstream Transportation & Distribution | $tCO_2e$ | 8,254 | 14,229 | N/A |
| Upstream Leased Assets | $tCO_2e$ | 1,375 | 1,266 | N/A |
| Downstream Leased Assets | $tCO_2e$ | 238 | 176 | N/A |
| Capital Goods | $tCO_2e$ | 823 | 99 | N/A |
| **Energy consumption** | | | | |
| Total<br>**Including GET/RECs* | kWh | 30,167,811 | 32,213,524 | N/A |
| Renewable sources | kWh | 6,717,286<br>**Including Vietnam* | 1,348,642<br>**Including Vietnam* | N/A |
| Non-renewable sources | kWh | 23,450,525 | 30,864,882<br>**Not including Vietnam* | N/A |
| **Electricity consumption by countries** | | | | |
| Malaysia | kWh | 24,654,024 | 30,864,882 | 22,111,360 |
| **TNB Green Electricity Tariff (GET)/RECs** | | | | |
| Total | kWh | 5,981,355 | 2,056,531 | N/A |
| Malaysia | kWh | 3,943,025 | 2,056,531 | N/A |
| Australia<br>*Client requirements for Construction activities (Scope 3)* | kWh | 2,038,330 | N/A | N/A |
| **Electricity generated from solar panels** | | | | |
| Total | kWh | 3,285,700 | 1,846,020 | N/A |
| Malaysia | kWh | 2,347,311 | 921,777 | N/A |
| Vietnam | kWh | 938,389 | 924,243 | N/A |
| **Water** | | | | |
| **Water withdrawal by source** | | | | |
| Total | $m^3$ | 1,713,669 | 1,200,000 | 355,557 |
| Third-party water | $m^3$ | 980,026 | 1,060,800 | N/A |
| Surface water | $m^3$ | 733,643 | 139,200 | N/A |
| **Water withdrawal in Malaysia by source** | | | | |
| Total | $m^3$ | 1,628,019 | 1,200,000 | 355,557 |
| Third-party water | $m^3$ | 932,838 | 1,060,800 | 240,092 |
| Surface water | $m^3$ | 695,181 | 139,200 | 115,465 |

## OUR VALUE TO ENVIRONMENT

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Waste** | | | | |
| Total weight of waste generated | kg | 27,586,632 | 6,326,427 | 461,639 |
| **Total weight of waste generated by categories** | | | | |
| **Hazardous waste** | | | | |
| Total | kg | 96,277 | 84,102 | 38 |
| **Non-hazardous waste** | | | | |
| Total | kg | 27,490,355 | 6,242,325 | N/A |
| Non-recycled waste (General Waste) | kg | 24,186,881# | 5,421,070 | 436,600 |
| Garden waste | kg | 238,602 | 210,720 | N/A |
| Food waste | kg | 283,964 | 15,505 | 8,230 |
| Recycled waste | kg | 1,548,680 | 585,099 | 1,171 |
| Fabric waste | kg | 15,788 | 9,931 | 15,600 |
| **Conservation area** | | | | |
| **IUCN Red List species** | | | | |
| Total | numbers | 82 | 79 | 68 |
| Critically endangered | numbers | 7 | 7 | 7 |
| Endangered | numbers | 14 | 14 | 12 |
| Vulnerable | numbers | 26 | 24 | 21 |
| Near threatened | numbers | 35 | 34 | 28 |
| **Landscape Area[4]** | | | | |
| Bandar Botanic | acres | 192.4 | 192.4 | N/A |
| Bukit Bantayan Residences | acres | 1.3 | 1.3 | N/A |
| Celadon City | acres | 53.2 | 42.8 | N/A |
| HighPark Suites | acres | 3.4 | 3.4 | N/A |
| Jade Hills | acres | 62.1 | 59.8 | N/A |
| Kundang Estates | acres | 25.9 | 25.9 | N/A |
| The Robertson | acres | 1.9 | 1.9 | N/A |
| Valencia | acres | 101.3 | 101.3 | N/A |
| Gamuda City | acres | 24.5 | 24.5 | N/A |
| Gamuda Cove | acres | 80.8 | 25.9 | N/A |
| Gamuda Gardens | acres | 73.9 | 63.6 | N/A |
| Horizon Hills | acres | 357.1 | 357.1 | N/A |
| Kota Kemuning | acres | 421.55 | 421.6 | N/A |
| Madge Mansions | acres | 0.2 | 0.2 | N/A |
| twentyfive7 | acres | 29.5 | 27.4 | N/A |
| Yen So Park | acres | 236.6 | 236.6 | N/A |

*#Includes construction waste*

# OUR GLOBAL ALIGNMENT

## OUR VALUE TO ENVIRONMENT

| Description | UoM | FY2023 | FY2022 | FY2021 |
|---|---|---|---|---|
| **Green Building Certifications** | | | | |
| **Project** | | | | |
| Gamuda Cove's The Herons | GBI | – | – | Certified |
| Gamuda Cove's Waterlily | GBI | – | Certified | – |
| Wetlands Arboretum Centre | EDGE Advanced | Zero Carbon Ready Certified | – | – |
| Gamuda Gardens' Monarc | GBI | Certified | – | – |
| Gamuda Gardens' Illaria | GBI | Certified | – | – |
| twentyfive7's Levane | GBI | Certified | – | – |
| OLÁ (Sengkang, Singapore) | Green Mark | – | – | Gold Plus |
| Elysian (Ho Chi Minh City, Vietnam) | LOTUS | Certified | – | – |

*Disclosure:*

1. *Modified to include the new boundaries by adopting GHG Protocol's policy of shifts or "rolls" the base year*
2. *Includes two new boundaries of GHG tracking for Gamuda Berhad (Australia and Vietnam)*
3. *The data disclosed for Horizon Hills Golf and Country Club represents Gamuda's 50 percent share of the Scope 2 emissions by Gamuda in line with how management monitors the emissions target and performance of these site*
4. *Landscape is defined as the water body and the greeneries as set out in the master layout plan or KM plan, and percentage disclosed are the portion completed by Gamuda to-date*
5. *The data for Menara Gamuda and Next-Gen IBS are in accordance to market-based Scope 2 GHG emission calculation. This is due to the location subscribing to Green Energy Tariff (GET). Other location are calculated based on location-based Scope 2 GHG emission*

*Note:*

*The data for selected operating units listed was subject to an external limited assurance by an independent 3rd party. Refer to the independent assurance report on pages 229 to 232. Following are the managed infrastructure assured by PricewaterhouseCoopers PLT: Horizon Hills Golf and Country Club (Scope 1: 133 $tCO_2e$, Scope 2: 1,016 $tCO_2e$), Kota Permai Golf and Country Club (Scope 1: 137 $tCO_2e$, Scope 2: 1,579 $tCO_2e$), Menara Gamuda (Scope 1: 120 $tCO_2e$, Scope 2: 1,933 $tCO_2e$), 100 Miller St. (Scope 1: 0 $tCO_2e$, Scope 2: 27 $tCO_2e$), Celadon City HQ (Scope 1: 0 $tCO_2e$, Scope 2: 356 $tCO_2e$), Celadon City [Sales Gallery] (Scope 1: 0 $tCO_2e$, Scope 2: 252 $tCO_2e$), Quayside Mall and Quayside Tower (Scope 1: 0 $tCO_2e$, Scope 2: 5,674 $tCO_2e$). For operating plants: GB Kuari (Scope 1: 1,457 $tCO_2e$, Scope 2: 513 $tCO_2e$), Gamuda IBS – Banting Factory (Scope 1: 129 $tCO_2e$, Scope 2: 1,547 $tCO_2e$),*

*Data in relation to water withdrawal for: Horizon Hills Golf and Country Club (115,126 $m^3$), KPGCC (187,420 $m^3$), Menara Gamuda (27,079 $m^3$), Celadon City [Office] (854 $m^3$), GB Kuari (7,270 $m^3$), Gamuda Industrial Building System (60,202 $m^3$), Gamuda Cove [Sales Gallery and office] (13,278 $m^3$), Celadon City [Sales Gallery] (1,809 $m^3$) and Quayside Mall and Tower (121,381 $m^3$) has also undergone independent assurance by PricewaterhouseCoopers PLT.*

*Additionally, the data related to generated waste for: Menara Gamuda (Hazardous Waste: 480 kg, Non-Hazardous Waste: 10,000 kg), Jade Hills – Phase 6A2, Blossom Springs (Hazardous Waste: 0 kg, Non-Hazardous Waste: 31,000 kg), Jade Hills Resort (Hazardous Waste: 0 kg, Non-Hazardous Waste: 3,690 kg), Quayside Mall (Hazardous Waste: 0 kg, Non-Hazardous Waste: 740,000 kg), Gamuda IBS – Banting Factory (Hazardous Waste: 0 kg, Non-Hazardous Waste: 992,000 kg) was also assured by PricewaterhouseCoopers PLT.*

*Extensively, the percentage of landscape area for identified projects: Gamuda Cove (5.28 percent), Gamuda Gardens (9.13 percent) has been independently assured by PricewaterhouseCoopers PLT.*

# GRI CONTENT INDEX

The Global Reporting Initiative (GRI) is a multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators. This report has been prepared in accordance with the GRI Universal Standards 2021. Our GRI Content Index references our 2023 Sustainability Report, Integrated Annual Report and the Gamuda website.

| | |
|---|---|
| **Statement of use** | Gamuda has reported the information cited in this GRI content index for the period of 1 August 2022 to 31 July 2023 (FY2023) in accordance with the GRI Standards. |
| **GRI 1 used** | GRI 1: Foundation 2021 |

| GRI Standard | Disclosure | Location |
|---|---|---|
| **GRI 2: General Disclosures 2021** | 2-1 Organisational details | Front, back cover |
| | 2-2 Entities included in the organisation's sustainability reporting | About this Report, pages 114 - 115 |
| | 2-3 Reporting period, frequency and contact point | About this Report, pages 114 - 115 |
| | 2-4 Restatements of information | Not applicable |
| | 2-5 External assurance | Independent limited assurance report, pages 229 - 232 |
| | 2-6 Activities, value chain and other business relationships | Who we are, pages 6 - 7<br>Regional ESG footprint, pages 122 - 123 |
| | 2-7 Employees | Human capital development, page 143<br>ESG performance data, page 204 |
| | 2-8 Workers who are not employees | No available data |
| | 2-9 Governance structure and composition | Our governance and value to economy, page 128 |
| | 2-10 Nomination and selection of the highest governance body | Our governance and value to economy, page 128 |
| | 2-11 Chair of the highest governance body | Corporate governance overview statement, pages 88 - 99<br>Gamuda sustainability governance structure, page 128 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Our governance and value to economy, page 128 |
| | 2-13 Delegation of responsibility for managing impacts | Our governance and value to economy, page 128 |
| | 2-14 Role of the highest governance body in sustainability reporting | Our governance and value to economy, page 128 |
| | 2-15 Conflicts of interest | Anti-corruption measures, page 130 |
| | 2-16 Communication of critical concerns | Anti-corruption measures, page 130 |
| | 2-17 Collective knowledge of the highest governance body | Corporate governance overview statement, pages 88 - 99 |
| | 2-18 Evaluation of the performance of the highest governance body | Our governance and value to economy, page 128 |
| | 2-19 Remuneration policies | Our governance and value to economy, page 128 |

# OUR GLOBAL ALIGNMENT

| GRI Standard | Disclosure | Location |
|---|---|---|
| GRI 2: General Disclosures 2021 (cont'd.) | 2-20 Process to determine remuneration | Our governance and value to economy, page 128 |
| | 2-21 Annual total compensation ratio | Upholding human rights, page 150 |
| | 2-22 Statement on sustainable development strategy | Key management perspectives, page 112 |
| | 2-23 Policy commitments | A culture of compliance, page 129<br>Links to policy |
| | 2-24 Embedding policy commitments | A culture of compliance, page 129 |
| | 2-25 Processes to remediate negative impacts | Whistleblowing mechanism, page 130<br>Human rights at Gamuda, page 151 |
| | 2-26 Mechanisms for seeking advice and raising concerns | Whistleblowing mechanism, page 130<br>Human rights at Gamuda, page 151 |
| | 2-27 Compliance with laws and regulations | A culture of compliane, page 129 |
| | 2-28 Membership associations | Available on Group's website |
| | 2-29 Approach to stakeholder engagement | Partnering for impact, page 124 |
| | 2-30 Collective bargaining agreements | Upholding human rights, page 150 |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Referenced throughout where relevant |
| | 3-2 List of material topics | Referenced throughout where relevant |
| | 3-3 Management of material topics | A strategic review material matters, pages 54 - 55 |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | Economic value generated and distributed, page 132 |
| | 201-2 Financial implications and other risks and opportunities due to climate change | Economic value generated and distributed, page 132 |
| | 201-3 Defined benefit plan obligations and other retirement plans | Data not reported |
| | 201-4 Financial assistance received from government | Economic value generated and distributed, page 132 |
| GRI 202: Market Presence 2016 | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | Upholding human rights, page 150 |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | Community outreach, page 157 |
| | 203-2 Significant indirect economic impacts | Community outreach, page 157 |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | Supply chain management, page 134 |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | Anti-corruption measures, page 130 |
| | 205-2 Communication and training about anti-corruption policies and procedures | ESG performance data, page 204 |
| | 205-3 Confirmed incidents of corruption and actions taken | Anti-corruption measures, page 130 |

| GRI Standard | Disclosure | Location |
|---|---|---|
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | Not applicable |
| | 301-2 Recycled input materials used | Not applicable |
| | 301-3 Reclaimed products and their packaging materials | Not applicable |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organisation | Renewable energy, page 182 |
| | 302-3 Energy intensity | Energy management, page 180 |
| | 302-4 Reduction of energy consumption | Renewable energy, page 182 |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | Water management, pages 188 - 191 |
| | 303-2 Management of water discharge-related impacts | Water management, pages 188 - 191 |
| GRI 303: Water and Effluents 2018 (cont'd.) | 303-3 Water withdrawal | Water management, pages 188 - 191 |
| | 303-4 Water discharge | Water management, pages 188 - 191 |
| | 303-5 Water consumption | Water management, pages 188 - 191 |
| GRI 304: Biodiversity 2016 | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Conserving biodiversity, pages 194 - 201 |
| | 304-2 Significant impacts of activities, products and services on biodiversity | Conserving biodiversity, pages 194 - 201 |
| | 304-3 Habitats protected or restored | Conserving biodiversity, pages 194 - 201<br>Using green material, page 179<br>Environmental and biodiversity Conservation, 119 |
| | 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations | ESG performance data, page 204 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Group emissions at a glance, pages 176 - 177 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Group emissions at a glance, pages 176 - 177 |
| | 305-3 Other indirect (Scope 3) GHG emissions | Group emissions at a glance, pages 176 - 177 |
| | 305-4 GHG emissions intensity | Group emissions at a glance, pages 176 - 177 |
| | 305-5 Reduction of GHG emissions | Group emissions at a glance, pages 176 - 177<br>Carbon reduction in developments, page 186 |
| | 305-6 Emissions of ozone-depleting substances (ODS) | Not applicable |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Not applicable |

# OUR GLOBAL ALIGNMENT

| GRI Standard | Disclosure | Location |
|---|---|---|
| **GRI 306: Waste 2020** | 306-1 Waste generation and significant waste-related impacts | Waste management, pages 192 - 193 |
| | 306-2 Management of significant waste-related impacts | Waste management, pages 192 - 193 |
| | 306-3 Waste generated | Waste management, pages 192 - 193 |
| | 306-4 Waste diverted from disposal | Waste management, pages 192 - 193<br>ESG performance data, page 204 |
| | 306-5 Waste directed to disposal | Waste management, pages 192 - 193<br>ESG performance data, page 204 |
| **GRI 308: Supplier Environmental Assessment 2016** | 308-1 New suppliers that were screened using environmental criteria | Supply chain management, page 134 |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | Supply chain management, page 134 |
| **GRI 401: Employment 2016** | 401-1 New employee hires and employee turnover | Human capital development, page 143<br>ESG performance data, page 204 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees | Upholding human rights, page 150 |
| | 401-3 Parental leave | ESG performance data, page 204 |
| **GRI 403: Occupational Health and Safety 2018** | 403-1 Occupational health and safety management system | Occupational safety and health, page 152 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Occupational safety and health, page 152 |
| | 403-3 Occupational health services | Occupational safety and health, page 152 |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Occupational safety and health, page 152 |
| | 403-5 Worker training on occupational health and safety | Occupational safety and health, page 152 |
| | 403-6 Promotion of worker health | Upholding human rights, page 150 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Occupational safety and health, page 152 |
| | 403-8 Workers covered by an occupational health and safety management system | Occupational safety and health, page 152<br>ESG performance data, page 204 |
| | 403-9 Work-related injuries | Occupational safety and health, page 152<br>ESG performance data, page 204 |
| | 403-10 Work-related ill health | Occupational safety and health, page 152 |
| **GRI 404: Training and Education 2016** | 404-1 Average hours of training per year per employee | ESG performance data, page 204 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | Learning and development, page 148 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | ESG performance data, page 204 |
| **405-1 Diversity of governance bodies and employees** | 405-1 Diversity of governance bodies and employees | Diversity, equity and inclusion (DEI), page 144<br>ESG performance data, page 204 |
| | 405-2 Ratio of basic salary and remuneration of women to men | Upholding human rights, page 150 |

| GRI Standard | Disclosure | Location |
|---|---|---|
| **GRI 406: Non-discrimination 2016** | 406-1 Incidents of discrimination and corrective actions taken | Diversity, equity and inclusion (DEI), page 144 |
| **GRI 407: Freedom of Association and Collective Bargaining 2016** | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Not applicable |
| **GRI 408: Child Labor 2016** | 408-1 Operations and suppliers at significant risk for incidents of child labour | Upholding human rights, page 150 |
| **GRI 409: Forced or Compulsory Labor 2016** | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour | Upholding human rights, page 150 |
| **GRI 411: Rights of Indigenous Peoples 2016** | 411-1 Incidents of violations involving rights of indigenous peoples | Upholding human rights, page 150 |
| **GRI 413: Local Communities 2016** | 413-1 Operations with local community engagement, impact assessments, and development programs | Community outreach programme, page 157 |
| | 413-2 Operations with significant actual and potential negative impacts on local communities | Community outreach programme, page 157 |
| **GRI 414: Supplier Social Assessment 2016** | 414-1 New suppliers that were screened using social criteria | Supply chain management, page 134 |
| | 414-2 Negative social impacts in the supply chain and actions taken | Supply chain management, page 134 |
| **GRI 417: Marketing and Labeling 2016** | 417-1 Requirements for product and service information and labeling | Data not reported |
| | 417-2 Incidents of non-compliance concerning product and service information and labeling | Data not reported |
| | 417-3 Incidents of non-compliance concerning marketing communications | Data not reported |
| **GRI 418: Customer Privacy 2016** | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Data protection and privacy, page 131 |
| **Other topics not covered by the GRI Standard** | | |
| **Innovation** | | Pioneering digital solutions, pages 135 - 137<br>Driving innovation, pages 138 - 139 |
| **Land remediation, contamination or degradation** | | Conserving biodiversity, pages 194 - 201<br>Our environmental footprint at silicon island penang, pages 202 - 203 |
| **Customer satisfaction** | | Customer satisfaction, page 169 |

# OUR GLOBAL ALIGNMENT

## SASB INDEX

### ENGINEERING AND CONSTRUCTION

| Code | Description | FY2023 Performance |
|---|---|---|
| **ENVIRONMENTAL IMPACTS OF PROJECT DEVELOPMENT** | | |
| **IF-EN-160a.1** | Number of incidents of non-compliance with environmental permits, standards, and regulations | Gamuda ensures that all of its projects comply with environmental and social impact assessments. The Group has not been censured or fined in the past three years for non-compliance with regulatory standards. |
| **IF-EN-160a.2** | Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction | Pillar 1 of Gamuda's Green Plan 2025 – Sustainable Planning and Design for Construction – discloses the Group's environmental risks and impacts.<br><br>Gamuda's construction projects and developments exemplify this approach.<br><br>All projects demonstrate a commitment to reducing our environmental impact by prioritising energy and water efficiency, recycling waste, and preserving or enhancing natural habitats. |
| **STRUCTURAL INTEGRITY AND SAFETY** | | |
| **IF-EN-250a.1** | Amount of defect and safety-related rework costs | Not available. To be monitored. |
| **IF-EN-250a.2** | Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents | Not available. To be monitored. |
| **WORKFORCE HEALTH AND SAFETY** | | |
| **IF-EN-320a.1** | (1) Total recordable incident rate (TRIR) – Rate of Injury | |
| | Menara Gamuda | 0 |
| | Gamuda Land (Malaysia and Vietnam) | 0 |
| | Gamuda Engineering (Malaysia) | 0 |
| | Gamuda Engineering (Australia) | 0.34 |
| | (2) Total fatality rate for direct employees | |
| | Menara Gamuda | 0 |
| | Gamuda Land (Malaysia and Vietnam) | 0 |
| | Gamuda Engineering (Malaysia and Australia) | 0 |

| Code | Description | FY2023 Performance |
|---|---|---|
| **LIFE CYCLE IMPACTS OF BUILDINGS AND INFRASTRUCTURE** | | |
| **IF-EN-410a.1** | (1) Number of commissioned projects certified to a third party multi-attribute sustainability standard | Green Building Index (GBI)<br>1) Herons – provisional certificate<br>2) Waterlily – provisional certificate<br>3) The Robertson – Gold Standard<br>4) High Park Suites – Gold Standard |
| | (2) Number of projects seeking such certification | Green Building Index (GBI)<br>1) Monarch – Gamuda Garden<br>2) Ilaria – Gamuda Garden<br>3) Office Cluster at Gamuda Cove Platinum Standard |
| **IF-EN-410a.2** | Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design | As mentioned previously, under IF-EN-160a.2, Gamuda continues to strive for resource consumption efficiency through Sustainable Planning and Design for Construction, which is Pillar 1 of the Gamuda Green Plan 2025.<br><br>Gamuda harnesses BIM and Digital IBS technologies to integrate sustainable design features into our home and building developments.<br><br>Significant efforts are made to achieve optimal water and energy efficiency from the blueprint and design stage to minimise the environmental impact over the project or structure's lifespan.<br><br>Some of our developments in Malaysia and Australia adhere to government-driven green electricity programmes, such as the Green Electricity Tariff (GET) and GreenPower. We also use solar photovoltaics (PVs) for renewable energy |
| **BUSINESS ETHICS** | | |
| **IF-EN-510a.2** | Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices | 0 |
| **IF-EN-510a.3** | Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti competitive behaviour in the project bidding processes | Gamuda has established a robust governance structure to ensure ethical business practices across the Group, supported by the Anti-Bribery and Corruption Policy (AB&C).<br><br>The AB&C Policy outlines the expected behaviour of Gamuda's employees and its value chain. All relevant stakeholders must comply with the policy and maintain corporate integrity when conducting business with Gamuda. |
| **ENERGY MANAGEMENT** | | |
| **IF-RE-130a.2** | Total energy consumed by portfolio area with data coverage | 108,604 GJ (30,167,811 kWh) |
| | Percentage grid electricity | 78 percent |
| | Percentage renewable, by property subsector | Total percentage of renewable is 22 percent |
| **IF-RE-130a.4WW** | Percentage of eligible portfolio that (1) has an energy rating; and | Please refer to disclosure provided under IF-EN-410a.1 |
| | is certified to ENERGY STAR, by property subsector | Not applicable to the countries we operate in |

# OUR GLOBAL ALIGNMENT

## PROPERTY DEVELOPMENT

| Code | Description | FY2023 Performance |
|---|---|---|
| | **WATER MANAGEMENT** | |
| **IF-RE-140a.2** | Total water withdrawn by the entity based on the water source ($m^3$) | 1,713,669 |
| | Third-Party Water Source | 980,026 |
| | Surface Water Source | 733,643 |
| | Ground Water Source | – |
| | Produced Water | – |
| | Percentage in regions with High or Extremely High Baseline Water Stress, by property subsector | Not available. |
| **IF-RE-140a.3** | Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector | Not available. To be monitored. |
| **IF-RE-140a.4** | Description of water management risks and discussion of strategies and practices to mitigate those risks | The Group recognises that climate change and environmental degradation can reduce freshwater sources, affecting land banking and development strategies.<br><br>However, this scenario also provides opportunities, stimulating greater demand for non-potable treated or recycled water in commercial applications. Consequently, there will be a greater demand for water treatment and wastewater treatment facilities, which Gamuda specialises in designing, constructing, and operating. The Group is committed to recycling half of the water used at our construction sites by 2025 and decreasing the need for freshwater in developments and townships by 65 percent.<br><br>Further details of Gamuda's approach to managing water consumption is provided in SR2023 on pages 188 to 191. |
| | **CLIMATE CHANGE ADAPTATION** | |
| **IF-RE-450a.1** | Area of properties located in 100-year flood zones, by property subsector | Similar modelling was done based on sea level rise using a 2 degrees and 4 degrees scenario. This was done for one of the projects in Malaysia. |
| **IF-RE-450a.2** | Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks | Gamuda is aware of the risks of climate change and remains fully committed to addressing the operational effects of our business. The climate-related risks and opportunities are provided on page 172. |
| | **SASB ACTIVITY METRICS** | |
| **IF-RE-000.A** | Number of assets, by: active engineering and construction projects | Please refer to page 14 of this Integrated Report for more information |
| | Number of assets, by active property subsector projects | Please refer to page 15 of this Integrated Report for more information |
| **IF-RE-000.B** | Number of commissioned (engineering) projects | Please refer to page 14 of this Integrated Report for more information |

# TCFD STATEMENT

Since having made climate change a top priority, Gamuda Group has committed to reducing short-, medium-, and long-term emissions. To consolidate the Group's management approach, climate-related governance and strategies have been implemented across our operations and businesses to ensure that climate-related risks and opportunities are considered at every level.

In FY2023, Gamuda further strengthened our commitment to climate-related matters by collecting Scope 3 emissions data from our suppliers. We are also preparing for carbon credits through tree planting and assessing our carbon stocks to determine our carbon storage capacity. Since FY 2021, Gamuda has aligned with and been reporting to the Task Force on Climate-related Financial Disclosures (TCFD); in FY 2022, we officially supported this approach. Adopting TCFD is driven by the Group's commitment to continuously monitoring its performance and progress in accordance with climate change as measured against a globally recognised framework.

Gamuda has aligned with the four TCFD themes: Governance, Strategy, Risk Management, and Metrics and Targets. The table below provides a concise, detailed explanation of how Gamuda has adopted specific TCFD topics and recommended disclosures. Where relevant, references are provided to more specific information within the Sustainability Report 2023.

Essentially, Gamuda's management approach to climate change-related impacts focuses on the following:

- Leadership, including the Board of Directors (Board) oversight on climate change through the Environmental, Social and Governance (ESG) mechanism
- The strategic consideration given to climate change is reflected in the development of policies and strategies
- A continued focus on embedding climate change within the Group's risk management and mitigation framework
- The existence of tangible, time-based key performance indicators (KPIs) to measure performance

*Note: Kindly refer to Chapters: Sustainability Integration and Our Governance and Value to Economic for more details.*

| Recommendations | Organisation's Adoption of Recommendation | References |
|---|---|---|
| | **GOVERNANCE** | |
| **Describe the board's oversight of climate-related risks and opportunities.** | Climate action is a major concern for the Group and its stakeholders, as reflected in our updated FY2023 Materiality Matrix in the top-right quadrant. Gamuda's Board oversees all material topics of significant concern, maintains the ESG decisions, and guides the Group's sustainability direction strategies. It ensures that business decisions are adopted from an ESG perspective.<br><br>The Board has a Risk Committee to ensure that management has developed appropriate plans for dealing with climate change. The committee keeps track of corporate, audit, and ESG risks, including those related to climate change. By monitoring these risks, effective mitigation responses can be implemented appropriately. Gamuda Green Plan 2025 is a framework we use to address environmental, social responsibility, and governance concerns, including climate change. This helps ensure that the company can continue operating sustainably and building value. | Page 128 Our Governance and Value to Economy |

# OUR GLOBAL ALIGNMENT

<table>
<tr><th>Recommendations</th><th>Organisation's Adoption of Recommendation</th><th>References</th></tr>
<tr><td>Describe management's role in assessing and managing climate-related risks and opportunities.</td><td>The Board is working closely with the Group Chief Sustainability Officer (GCSO) and Sustainability Steering Committee (SSC) to realise the Gamuda Green Plan 2025 by developing and executing effective strategies action plans. One of their primary responsibilities is overseeing risk assessments to identify potential climate-related risks that might impact our operations, financial stability, or reputation.<br><br>In terms of opportunities, our management actively seeks ways to align our business with the changing climate landscape. They encourage innovation and investment in sustainable practices, such as renewable energy, energy efficiency, and green technologies, to not only reduce our environmental impact but also to explore new revenue streams.</td><td>Pages 22-27<br>Group Managing Director's Statement<br><br>Page 128<br>Our Governance and Value to Economy</td></tr>
<tr><td colspan="3">STRATEGY</td></tr>
<tr><td>Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.</td><td>Gamuda's engineering, construction, and property development businesses are facing climate change risks and opportunities, as below:<br><br>CLIMATE CHANGE RISKS:<br>• Regulations for existing products and services<br>• Exposure to litigation<br>• Changes in customer behaviour<br>• Replacing current products and services to those with lower emissions<br>• Shifts in customer preference<br>• Stigmatisation of sector<br>• Changes in precipitation; extreme weather patterns<br>• Increased pricing of GHG emissions<br>• Enhanced emission-reporting requirements<br>• Cost of transitioning to a lower emissions technology<br>• Increased material costs<br>• Increased stakeholder concerns/negative stakeholder feedback<br>• Increased extreme weather: floods, water pollution, drought, etc.<br>• Rising ambient temperatures and sea levels<br><br>CLIMATE CHANGE OPPORTUNITIES:<br>• Increased on-site recycling and food waste composting<br>• Reduced use of natural resources, e.g. recycling harvested rainwater<br>• Supportive policy incentives<br>• New technologies<br>• Shift toward decentralised energy sources and a transition to lower emissions technologies<br>• Access to new assets and locations requiring insurance coverage<br>• Development and/or expansion of low-emission products and activities<br>• Diversification of business activities<br>• Participation in renewable energy programmes and improved energy efficiency<br>• Resource substitutes/diversification<br>• Better production and distribution processes<br>• Use of lower-emission energy sources, e.g. solar panels<br>• Participation in carbon markets, e.g. the Bursa Malaysia Voluntary Carbon Market<br>• Access to new markets through public-sector incentives<br>• Shifting consumer preferences to more robust products and services<br>• Development of climate adaptation and mitigation plans</td><td>Pages 22-27<br>Group Managing Director's Statement<br><br>Page 117<br>Gamuda Green Plan 2025<br><br>Pages 174 - 175<br>Our Net Zero Journey<br><br>Page 172<br>Climate Risks and Opportunities<br><br>Pages 172 - 203<br>Our Value to the Environment</td></tr>
</table>

| Recommendations | Organisation's Adoption of Recommendation | References |
|---|---|---|
| **Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.** | We acknowledge that climate-related risks, such as extreme weather events, resource scarcity, and supply chain disruptions, directly affect our business operations. For instance, an increase in extreme weather events can lead to production delays or infrastructure damage. On the flip side, seizing opportunities like energy efficiency and renewable energy adoption not only reduce our carbon footprint but also contribute to cost savings and enhanced operational resilience. We see this in our RE implementations within the Group.<br><br>Climate awareness and sustainability are becoming increasingly important to our customers and stakeholders. Failing to address these issues can harm our reputation and market position. Conversely, actively embracing climate-related opportunities can differentiate us from competitors and attract environmentally-conscious consumers. Knowing this we have provided complimentary awareness training to suppliers and vendors since 2022.<br><br>As global and local climate change regulations become increasingly stringent, our organisation must allocate resources to ensure compliance with these standards. This can have implications for our financial planning and capital allocation. For example, Bursa Malaysia has taken the step of making climate-related disclosures mandatory.<br><br>To manage climate-related risks, we must allocate resources for mitigation and adaptation measures, such as improving infrastructure resilience and investing in emissions reduction technologies. These initiatives require financial planning and impact our overall budget allocation | Page 172 Climate Risks and Opportunity |
| **Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.** | Our strategy encompasses risk assessment, adaptive measures, and specific targets aimed at reducing our carbon emissions. It is driven by our commitment to align with global climate goals and ensure the long-term viability of our organisation.<br><br>The group is dedicated to achieving its objective of becoming a net zero carbon organisation by 2050, adhering to the Science Based Targets initiative (SBTi), and actively preparing for various climate-related scenarios. This involves the creation of a practical decarbonisation action plan and the implementation of a strong emissions measurement and monitoring system. In our Gamuda Green Plan 2025, we have established both short- and medium-term objectives. Our primary goal is to decrease our greenhouse gas emissions intensity by 30 percent by 2025 and by 45 percent by 2030. To closely monitor our progress, we utilise a digital platform capable of identifying anomalies and omissions, ensuring that the Group remains on course to achieve our reduction targets.<br><br>In the Penang South Islands (PSI) project we assessed the Representative Concentration Pathway (RCP) scenarios based on 2 degrees and 4 degrees temperature changes. This is part of our effort to future-proofing our projects, addressing the impact of rising sea levels and heightened ambient temperatures. We utilised this modelling approach to forecast the likelihood and associated risks of future sea-level rise. The outcomes were instrumental in guiding our decision-making processes related to project elevation and design adjustments. We have also conducted assessments aligned with the Low Carbon Cities Framework to ensure that our developments are designed to create low-carbon communities.<br><br>Full details are provided in Chapter 4 (Our Value to the Environment) disclosures of SR2023. | Pages 174 - 175 Advancing Towards Net Zero |

# OUR GLOBAL ALIGNMENT

| Recommendations | Organisation's Adoption of Recommendation | References |
|---|---|---|
| | **RISK MANAGEMENT** | |
| **Describe the organisation's processes for identifying and assessing climate-related risks.**<br><br>**Describe the organisation's processes for managing climate-related risks.** | Our processes include:<br><br>Risk Identification: We start by identifying all potential climate-related risks that could affect our operations, both directly and indirectly. These risks encompass a wide range of areas, including extreme weather events, regulatory changes, supply chain disruptions, and reputational risks associated with our carbon footprint. The coverage of assessment on climate related risks are conducted throughout the life cycle of construction to ensure the risk and opportunities are identified at all stages of a project, that may extend to include operation phase (post construction).<br><br>Data Collection and Analysis: We collect and analyse relevant data to understand the historical climate-related impacts on our business and the broader industry. This data includes past weather patterns, regulatory changes, and the experiences of peer organisations. We have in place a cloud-based Group-wide data collection system that can showcase 'live emission' via dashboard. This acts as a centre point for current state and baseline information.<br><br>Scenario Analysis: To assess the future risks, we employ scenario analysis. This involves modelling various climate scenarios, including different levels of temperature rise and associated impacts. We evaluate how these scenarios may affect our business, considering both physical risks and transition risks, such as changing regulations and market trends. The analysis extends to design stage of projects where we analyse climate related probabilities. Example, of modelling we have implemented in our projects include flood risk (50 & 100 ARI) and sea level rise risk assessment (that resulted us to elevate the project).<br><br>Stakeholder Engagement: We engage with various stakeholders, including customers, suppliers, local communities, and industry experts, to gain insights into their concerns and expectations regarding climate-related risks.<br><br>Risk Prioritisation: Once all potential risks are identified and assessed, we prioritise them based on their significance and potential impact on our organisation or project. This prioritisation guides our risk mitigation efforts.<br><br>Mitigation and Adaptation Strategies: We develop and implement strategies to mitigate identified risks and adapt to changing climate conditions. These strategies are tailored to the specific nature of each risk, and they encompass areas like infrastructure resilience, diversification of suppliers, and the reduction of greenhouse gas emissions.<br><br>Monitoring and Reporting: We regularly oversee and, when necessary, revise our risk assessments to incorporate new data and insights. Moreover, we provide transparent reports on our climate-related risks and our advancements in addressing them. To facilitate this, we have implemented a cloud-based, organisation-wide data collection system that can display real-time emissions data through a user-friendly dashboard (this platform covers projects too). | Pages 48-49<br>Stakeholder Engagement<br><br>Page 112<br>Key Management Perspective<br><br>Pages 172<br>Climate Risks and Opportunities |

| Recommendations | Organisation's Adoption of Recommendation | References |
|---|---|---|
| **Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.** | The materiality approach (mentioned above) is integrated into the Group's risk management framework. Risks are measured by their forecasted impact on revenue, earnings, costs, and productivity.<br><br>For more information on the materiality process, please refer to Materiality Chapter within the FY2023 Integrated Report | Pages 54 - 55 Material Matters<br><br>Pages 56 - 57 Managing Our Risks |
| | **METRICS AND TARGETS** | |
| **Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.** | Gamuda measures its environmental impact by tracking all Scope 1 and Scope 2 sources that primarily sourced from fuel and energy, while Scope 3 covering on the type of emission source category (that covers primarily financial, in RM). Other metrices used include waste production and water consumption.<br><br>Carbon emissions are measured using $CO_2e$, while electricity consumption is measured in kWh, fuel in litres, water consumption in $m^3$, and waste and recyclables in tonnes. All mentioned are taken account with considerations of global warming potential values.<br><br>To determine Gamuda's emission intensity, the absolute total emissions for the fiscal year are divided by the revenue for that same period. For more details on identified climate related risks and opportunities, refer to Chapter 4 (Our Value to Environment) of SR2023.<br><br>For the assurance of metrics and quantum disclosed, refer to Chapter 5 (Limited Assurance Statement) of SR2023. | Page 174 - 175 Advancing Towards Net Zero |
| **Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.** | Gamuda provided Scope 1, Scope 2 and Scope 3 disclosures generated from the Group's operations. For more detailed information on our management approach, evaluation, and performance data, refer to Chapter 4 (Our Value to Environment) of SR2023. | Page 174 - 175 Advancing Towards Net Zero |
| **Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.** | As part of our Gamuda Green Plan 2025, and as short- and medium-term targets, Gamuda is committed to reducing emissions intensity by 30 percent by 2025 and 45 percent by 2030. We also plan to achieve net zero by 2050. In FY2023, the Group has achieved 26 percent reduction compared to baseline.<br><br>As an infrastructure and property company, the Group must reduce our carbon emissions by adopting renewable energy technology to supply the buildings and development that are within our control. We also incorporate sustainable masterplanning with green mobility elements into our projects.<br><br>For more detailed information on targets set, refer to https://gamuda.com.my/sustainability-esg/gamuda-green-plan/. | Page 117 Gamuda Green Plan 2025 |

# OUR GLOBAL ALIGNMENT

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By Royal Charter

## Verification Report

### Verification Opinion

| Verified with Comments | |
|---|---|
| Based on the process and procedures conducted, there is **no evidence** that the GHG statement contained in the following report "Greenhouse Gas (GHG) Emissions Report FY2023, September 2023 version 1" produced by Gamuda Berhad | • is not materially correct and is not a fair representation of GHG data and information.<br>• has not been prepared in accordance with ISO14064-1 and its principles. |
| With the following comments | The organization is currently in the process of gathering data on other relevant greenhouse gases (GHGs) associated with fugitive emissions, such as HFCs and PFCs. These direct fugitive emissions may occur as a result of equipment leaks, such as those in cooling systems. With the leverage and assistance of current software for calculating emissions, it will help the organization to calculate fugitive emissions in its upcoming reporting cycle. |
| Lead Verifier | **Shaiful Rahman** |
| Independent Reviewer | **DinhMinhTam Nguyen** |
| Signed on behalf of BSI | **Evelyn Chye - Managing Director, Malaysia** |
| Issue Date | 13 October 2023 |
| BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia | |
| NOTE: BSI Malaysia is independent to and has no financial interest in Gamuda Bhd. This third-party Verification Opinion has been prepared for Gamuda Bhd. only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Malaysia has assumed that all information provided to it by Gamuda Bhd. is true, accurate and complete. BSI Malaysia accepts no liability to any third party who places reliance on this statement. | |

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# LIMITED ASSURANCE STATEMENT

## INDEPENDENT LIMITED ASSURANCE REPORT ON SUBJECT MATTER INFORMATION IN GAMUDA BERHAD'S SUSTAINABILITY REPORT 2023

### To the Board of Directors of Gamuda Berhad

We have been engaged by Gamuda Berhad to perform an independent limited assurance engagement on selected sustainability indicators (hereinafter referred to as the "Subject Matter Information") as reported by Gamuda Berhad ("Gamuda") in its Sustainability Report for the year ended 31 July 2023 ("Sustainability Report 2023").

### Our Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information contained in the Gamuda's Sustainability Report 2023 for the year ended 31 July 2023 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

### Subject Matter Information

The Subject Matter Information reported in the Gamuda's Sustainability Report 2023 on which we provide limited assurance, consists of:

| Scope | Reported amount | Scope | Reported amount |
|---|---|---|---|
| **GRI 305-1: Energy direct (Scope 1) GHG emissions ($tCO_2e$)** | | | |
| Horizon Hills Golf and Country Club | 133 | GB Kuari | 1,457 |
| Kota Permai Golf and Country Club | 137 | Gamuda IBS | 129 |
| Menara Gamuda (Buildings) | 120 | Quayside Mall & Tower | 0 |
| 100 Miller Street (Buildings) | 0 | Celadon City (Sales gallery) | 0 |
| **GRI 305-2: Energy indirect (Scope 2) GHG emissions ($tCO_2e$)** | | | |
| Horizon Hills Golf and Country Club | 1,016 | GB Kuari | 513 |
| Kota Permai Golf and Country Club | 1,579 | Gamuda IBS - Banting Factory | 1,547 |
| Menara Gamuda (Buildings) | 1,933 | Quayside Mall & Tower | 5,674 |
| 100 Miller Street (Buildings) | 27 | Celadon City (Sales gallery) | 252 |
| **GRI 303-3 Total water withdrawal (consumption) ($m^3$)** | | | |
| Horizon Hills Golf and Country Club | 115,126 | Gamuda IBS | 60,202 |
| Kota Permai Golf and Country Club | 187,420 | Gamuda Cove (Sales Gallery & Office) | 13,278 |
| Menara Gamuda | 27,079 | Celadon City (Sales Gallery) | 1,809 |
| Celadon City (Office) | 854 | Quayside Mall & Tower | 121,381 |
| GB Kuari | 7,270 | | |
| **GRI 306-3 Total weight of hazardous and non-hazardous waste generated (kg)** | | | |
| **Hazardous waste** | | **Non-hazardous waste** | |
| Gamuda IBS | 0 | Gamuda IBS | 992,000 |
| Menara Gamuda | 480 | Menara Gamuda | 10,000 |
| Jade Hills - Phase 6A2, Blossom Springs | 0 | Jade Hills - Phase 6A2, Blossom Springs | 31,000 |
| Jade Hills Resort | 0 | Jade Hills Resort | 3,690 |
| Quayside Mall | 0 | Quayside Mall | 740,000 |

# OUR GLOBAL ALIGNMENT

## INDEPENDENT LIMITED ASSURANCE REPORT ON SUBJECT MATTER INFORMATION IN GAMUDA BERHAD'S SUSTAINABILITY REPORT 2023 (CONTINUED)

| Scope | Reported amount | Scope | Reported amount |
|---|---|---|---|
| **Percentage of landscape area for identified projects (%)** | | | |
| Gamuda Cove | 5.28% | Gamuda Gardens | 9.13% |
| **GRI 205-2: Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated** | | | |
| Gamuda Group | 3,987 (97%) | | |
| **GRI 403-9: Lost Time Injury Frequency Rate ("LTIFR")** | | | |
| Menara Gamuda | 0 | IOI Gems Residences | 0 |
| twentyfive7 | 0 | Diamond Alnata Plus | 0 |
| Masterpave | 0 | | |
| **GRI 404-2(a): Type and scope of programs implemented and assistance provided to upgrade employee skills** | | | |
| Gamuda Learning Centre | Types and scope of programs implemented for:<br>• Leadership Competencies and Soft Skills<br>• Data and Digital Skills<br>• Technical Competencies<br>• ESG-related Training | | |
| **GRI 401-1: Total number of new employee hires and employee turnover during the reporting period, by age group and gender for Gamuda Malaysia, Gamuda Vietnam and Gamuda Australia** | | | |
| **Number of new hires (by age group)** | | **Number of turnover (by age group)** | |
| Under 30 years old | 722 | Under 30 years old | 191 |
| 30 - 50 years old | 727 | 30 - 50 years old | 296 |
| Over 50 years old | 84 | Over 50 years old | 26 |
| **Number of new hires (by gender)** | | **Number of turnover (by gender)** | |
| Male | 928 | Male | 299 |
| Female | 605 | Female | 214 |
| **GRI 405-1(a): Percentage of individuals within the Board of Directors of Gamuda Berhad, by age group and gender** | | | |
| **Board composition by age group (no.)** | | **Board composition by gender (%)** | |
| Over 50 years old | 7 | Male | 43% |
| | | Female | 57% |
| **GRI 204-1: Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (%)** | | | |
| Gamuda Malaysia | 94% | Gamuda Vietnam | 98% |
| Gamuda Australia | 98% | | |
| **GRI 406-1: Total number of incidents of discrimination during the reporting period** | | | |
| Gamuda Malaysia | 1 | | |

Our assurance was with respect to the year ended 31 July 2023 information and we have not performed any procedures with respect to earlier periods or any other elements included in the Gamuda's Sustainability Report 2023 and, therefore, we do not express any conclusion thereon.

## Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which Gamuda is solely responsible for selecting and applying.

The Reporting Criteria used for the reporting of the Selected Information are as follows:

- Gamuda's internal sustainability reporting guidelines and procedures by which the Selected Information is gathered, collated and aggregated internally; and
- The Global Reporting Initiative's Sustainability Reporting Standards ("GRI standards") for disclosures. *(collectively referred to as the "Reporting Criteria")*

## Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities over time. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The Subject Matter Information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

## Management's Responsibility

Management of Gamuda is responsible for the preparation of the Subject Matter Information included in the Gamuda's Sustainability Report 2023 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Gamuda's Sustainability Report 2023 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by Gamuda which are reasonable in the circumstances.

## Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements ("ISAE") 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

The accuracy of the Subject Matter Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our limited assurance report should therefore be read in conjunction with the Reporting Criteria.

A limited assurance engagement involves assessing the suitability in the circumstances of Gamuda's use of the Reporting Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

# OUR GLOBAL ALIGNMENT

## INDEPENDENT LIMITED ASSURANCE REPORT ON SUBJECT MATTER INFORMATION IN GAMUDA BERHAD'S SUSTAINABILITY REPORT 2023 (CONTINUED)

### Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Main Assurance Procedures

Our work included the following procedures:

- Evaluated the suitability in the circumstances of Gamuda's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained understanding of Gamuda's control environment, processes and systems relevant to the preparation of the Subject Matter Information for the in-scope operating units. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by Gamuda;
- Performed analytical procedures for consistency of data with trends and our expectation;
- Performed limited substantive testing on a sample basis on transactions included in the Subject Matter Information, which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- Conducted site visits at selected operating units (i.e. Gamuda Cove, Gamuda Garden, Horizon Hills Golf and Country Club and Gamuda IBS);
- Assessed the appropriateness of the greenhouse gas emission factors used in the calculations of the Scope 1 and Scope 2 GHG emissions; and
- Evaluated the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

### Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose

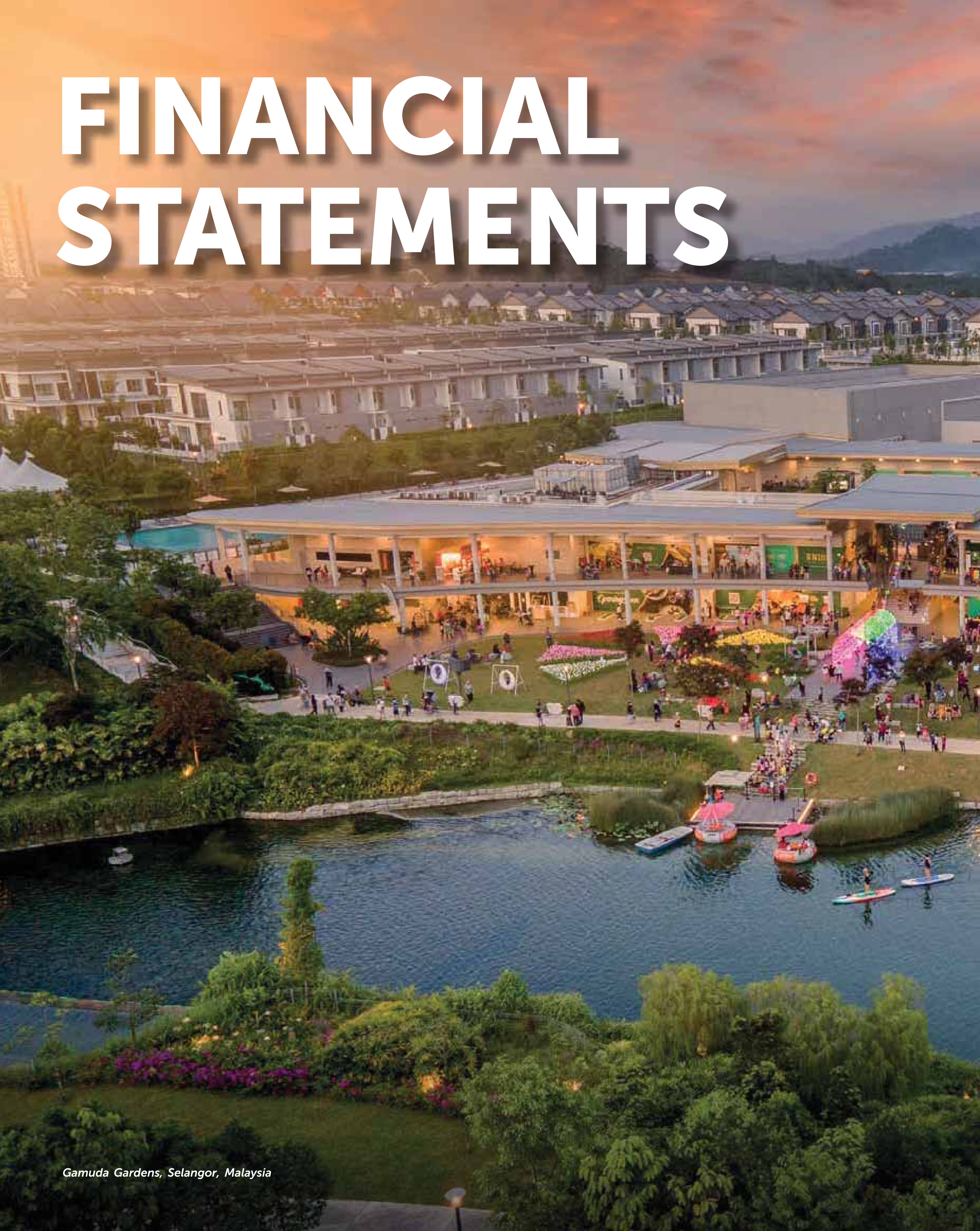
This report, including the conclusion, has been prepared solely for the Board of Directors of Gamuda Berhad in accordance with the agreement between us, in connection with the performance of an independent limited assurance engagement on the Subject Matter Information as reported by Gamuda in its Sustainability Report 2023 and should not be used or relied upon for any other purposes. We consent to the inclusion of this report in the Gamuda's Sustainability Report 2023 to be disclosed on the website of Gamuda at www.gamuda.com.my to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information in connection with the preparation of Gamuda's Sustainability Report 2023. As a result, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come. Any reliance on this report by any third party is entirely at its own risk.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants
Kuala Lumpur
30 October 2023

# ABBREVIATIONS

AB&C – Anti-Bribery and Corruption
ACC – Autodesk Construction Cloud
ALR – Amanat Lebuhraya Rakyat Berhad
AR – Augmented Reality
ATP – Advanced Tree Planting
BIMAR – Building Information Modelling Augmented Reality
BIM – Building Information Modelling
BSC – British Safety Council
BCX – Bursa Carbon Exchange
CAN – CEO Action Network
CBD – Convention on Biological Diversity
CDP – Carbon Disclosure Project
CEMACS – Centre of Marine and Coastal Studies
CGM – Climate Governance Malaysia
CGPP – Corporate Green Power Programme
CIDB – Construction Industry Development Board
CLQs – Centralised Labour Quarters
$CO_2e$ – Carbon Dioxide Equivalent
CONQUAS® – Construction Quality Assessment System
CREST – Crisis Relief Services and Training
CQQs – Centralised Quarantine Quarters
DJSI – Dow Jones Sustainability Indices
EA – Enabling Academy
EIA – Environmental Impact Assessment
ETP – Employment Transition Programme
EV – Electric Vehicle
FPIC – Free, Prior and Informed Consent
FRIM – Forest Research Institute Malaysia
FTSE – Financial Times Stock Exchange
GBC – Green Building Council (Malaysia)
GBF – Global Biodiversity Framework
GBI – Green Building Index
GET – Green Electricity Tariff
GET – Gamuda Excellence Transformation
GIA – Gamuda Inspiration Award
GLC – Gamuda Learning Centre
GQUAS – Gamuda Land Quality Unit Assessment System
GreenRE – Green Renewable Energy
GRI – Global Reporting Initiative Standards
GS – Green Star certification rating by Green Building Council of Australia
GUEB – Gamura Parks Urban Ecology Biodiversity
GWEN – Gamuda Women Empowerment Network
GIBS – Gamuda Industrialised Building System
HIMS – Housing Integrated Management System
HSC – higher school certificate
ICE – internal combustion engine
IGU – Integrity and Governance Unit
IIRC – International Integrated Reporting Council
ILO – International Labour Organisation
IMS – Integrated Management System
IoT – Internet of things
IUCN – International Union for Conservation of Nature
ISAE 3000 – International Standard on Assurance Engagements
ISC – Infrastructure Sustainability Council (Australia)
ISMS – Information Security Management System
ISSB – International Sustainability Standards Board
ITA – International Tunnelling & Underground Space Association
KVMRT – Klang Valley Mass Rapid Transit
LCC 2030 – Low Carbon Cities 2030 Challenge
LCCF – Low Carbon Cities Framework
LITRAK – Lingkaran Trans Kota Holdings Berhad
LKIM – Lembaga Kemajuan Ikan Malaysia (Malaysian Fisheries Development Authority)
MCCG – Malaysian Code on Corporate Governance
MGTC – Malaysian Green Technology and Climate Change Corporation
MSCI – Morgan Stanley Capital International
MTEA – Malaysian Technology Excellence Award
MVPs – Minimum Viable Products
NAIDOC – National Aborigines' and Islanders' Day Observance Committee
NEDA – New Enhanced Dispatch Arrangement
NEM – Net Energy Metering Malaysia
NETR – National Energy Transition Roadmap
NIOSH – National Institute for Occupational Safety and Health
NPBD – National Policy on Biological Diversity
NRECC – The Ministry of Natural Resources, Environment and Climate Change
ORS – Off-River Storage
OSH – Occupational Safety and Health
PCMD – Project Construction Management Department
PEFCTM – Programme for the Endorsement of Forest
PMS – Performance Management System
POEO Act – Protection of the Environment Operations Act 1997
PPA – power purchase agreement
PPSN – Pusat Perkhidmatan Setempat Nelayan
PRA – Project Risk Assessment
QLASSIC – Quality Assessment System for Building Construction Works
QSHE – Quality, Safety, Health and Environment
RAP – Reconciliation Action Plan (Gamuda Australia)
RE – Renewable Energy
RECs – Renewable Energy Certificates
RMC – Risk Management Committee
SASB – Sustainability Accounting Standards Board
SBAT – School-Based Apprenticeships and Traineeships
SBTi – Science Based Targets initiative
SEDP – Scholar's Engagement and Development Programme
SPRINT – Sistem Penyuraian Trafik KL Barat
SRC – Seedling Research Centre
SC – Securities Commission
SGHA – Star Golden Hearts Award
SHASSIC – Safety and Health Assessment System in Construction
SIMP – Social Impact Management Plan
SLL – Sustainability-Linked Loan
SMART – Stormwater Management and Road Tunnel
SME – Subject Matter Experts
SPTs – Sustainability Performance Targets
SMP – Sustainable Management Plan
SSC – Sustainability Steering Committee
SUSTAINABLE INFRASTAR – Sustainable Infrastructure Rating Tool
TCFD – Task Force on Climate-related Financial Disclosures
UNDP – United Nations Development Programme
UNFCCC – United Nations Framework Convention on Climate Change
VCM – Voluntary Carbon Market
WIM – Wetlands International Malaysia

# FINANCIAL STATEMENTS



*Gamuda Gardens, Selangor, Malaysia*

# DIRECTORS' RESPONSIBILITY STATEMENT

In respect of Audited Financial Statements for the financial year ended 31 July 2023

The Directors are required by the Companies Act, 2016 ("Act") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to prepare the financial statements for each financial year in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and requirements of the Act in Malaysia.

The Directors are responsible to ensure that the audited financial statements give a true and fair view of the financial position, financial performance and cash flows of the Group and the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

In preparing the financial statements, the Directors have:

- adopted appropriate and relevant accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on a "going concern" basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors have overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

# DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 July 2023.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and civil engineering construction.

The principal activities of the subsidiaries, associated companies and joint arrangements are described in Notes 17, 18 and 19 to the financial statements respectively.

## RESULTS

| | Group RM'000 | Company RM'000 |
|---|---|---|
| Profit before taxation from continuing and discontinued operations | | |
| - Core profit | 1,117,744 | 2,086,115 |
| - Exceptional gain arising from disposal of highway concessions | 1,111,124 | – |
| Total profit | 2,228,868 | 2,086,115 |
| Less: Income tax expense | (223,808) | (64,738) |
| Profit after tax | 2,005,060 | 2,021,377 |
| Less: Non-controlling interests | (166,659) | – |
| Profit attributable to owners of the Company | 1,838,401 | 2,021,377 |

There was no material transfer to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except for the gain arising from disposal of highway concessions as disclosed in Note 47 to the financial statements.

## DIVIDENDS

The amount of dividends paid or declared since the end of previous financial year were as follows:

| | RM'000 |
|---|---|
| **In respect of the financial year ended 31 July 2023:** | |
| Special cash dividend of 38 sen per ordinary share has been declared on 22 November 2022 and paid on 23 December 2022 | 993,284 |
| First interim dividend of 6 sen per ordinary share declared on 16 December 2022 and paid on 2 March 2023: | |
| – Issuance of new shares in the Company pursuant to the Dividend Reinvestment Plan at the price of RM3.45 per share | 123,485 |
| – Cash dividend | 33,734 |
| Second interim dividend of 6 sen per ordinary share declared on 22 June 2023 and paid on 1 September 2023: | |
| – Issuance of new shares in the Company pursuant to the Dividend Reinvestment Plan at the price of RM3.97 per share | 123,718 |
| – Cash dividend | 36,087 |
| | 1,310,308 |

# DIRECTORS' REPORT (CONT'D.)

## DIVIDENDS (CONT'D.)

At the Extraordinary General Meeting of the Company held on 5 December 2019, the shareholders of the Company approved the Company's Dividend Reinvestment Plan ("DRP"). The DRP provides an option to the shareholders to reinvest either all or a portion of the declared dividends in new shares in lieu of cash.

Shareholders' approval was obtained at the 46th Annual General Meeting ("AGM") of the Company held on 8 December 2022, where subsequent to the shareholders' approval, the directors of the Company are authorised to allot and issue new ordinary shares pursuant to the Dividend Reinvestment Plan in respect of dividends declared after the 46th AGM.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

## DIRECTORS OF THE COMPANY

The names of the directors of the Company in office since the beginning of the financial year and at the date of this report are:

| | |
|---|---|
| Y Bhg Tan Sri Dato' Setia Haji Ambrin bin Buang | |
| Y Bhg Dato' Lin Yun Ling* | |
| Y Bhg Dato' Ir. Ha Tiing Tai* | |
| YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah | |
| Puan Nazli binti Mohd Khir Johari | |
| Ms. Chan Wai Yen | |
| Ms. Chia Aun Ling | (Appointed w.e.f. 01.02.2023) |
| Mr. Justin Chin Jing Ho* (alternate to Y Bhg Dato' Ir Ha Tiing Tai) | |
| Y Bhg Dato' Mohammed bin Haji Che Hussein | (Retired w.e.f. 08.12.2022) |
| Encik Mohammed Rashdan bin Mohd Yusof* (alternate to Y Bhg Dato' Lin Yun Ling) | (Resigned w.e.f. 25.04.2023) |

** Directors of the Company and certain subsidiary(ies)*

## DIRECTORS OF THE SUBSIDIARIES

The names of the directors of the Company's subsidiary(ies) since the beginning of the financial year to the date of this report, excluding those who are already listed above are:

Adil Putra bin Ahmad
Ahcene El Boulhais
Ajit Singh Rai
Andrew Edward Kesik
Angus Liew Bing Fooi
Azmi bin Mohamad
Carine Lacroix
Carla Maria Alves Silva
Caroline Baker
Chan Kong Wah
Chew Wee Hwang
Chu Wai Lune
Chua Kheng Sun
Chua Song Yong @ Eusoffe Chua
Dato' Haji Abdul Sahak bin Safi
Dato' Haji Azmi bin Mat Nor
Dato' Noordin bin Alaudin
Dato' Seri Farizan bin Darus
Dato' Seri Ir. Kamarul Zaman bin Mohd Ali
Dato' Mahmud bin Abbas

# DIRECTORS' REPORT (CONT'D.)

## DIRECTORS OF THE SUBSIDIARIES (CONT'D.)

The names of the directors of the Company's subsidiary(ies) since the beginning of the financial year to the date of this report, excluding those who are already listed above are: (cont'd.)

| | |
|---|---|
| Dato' Ubull A/L Din Om | |
| Datuk Hasmi bin Hasnan | |
| Devananda Naraidoo | |
| Dr. Ooi Lean Hock | |
| Emily Hii San San | |
| Foong Vooi Lin | |
| Goh Chee Young | |
| Johal Jagdish Singh | |
| Julian Yeap Kheang Teik | |
| Khariza binti Abd Khalid | |
| Khor Thiam Chay | |
| Kobinathan a/l Thangavelu | |
| Kong Sing Hoe | (Appointed w.e.f. 12.10.2022) |
| Lam Sew Chee | (Appointed w.e.f. 01.08.2023) |
| Larissa Chan Thien | |
| Lim Hui Yan | |
| Lim Ji Xiong | |
| Looi Hong Weei | |
| Mohd Roslan bin Sarip | |
| Ng Hau Wei | |
| Ng Kit Cheong | |
| Ong Jee Lian | |
| Rishikesh Batoosam | |
| Saw Yeok Hean | |
| Sazally bin Saidi | |
| Shaharum bin Ramli | (Appointed w.e.f. 20.06.2023) |
| Siddharth Swarup | |
| Simpkin Nicholas Guy | |
| Soo Kok Wong | |
| Sueway Tan | |
| Szeto Wai Loong | |
| Tan Sri Datuk Ooi Kee Liang | (Appointed w.e.f. 21.10.2022) |
| Tang Meng Loon | |
| Teng Poh Fern | |
| Tuan Haji Suhaimi bin Haji Kasdon | |
| Wong Mun Keong | |
| Wong Siew Lee | (Appointed w.e.f. 01.08.2023) |
| Yap Peng Loong | |
| Yew Yee Weng | |
| Teh Teck Seong | (Resigned w.e.f. 13.10.2022) |
| Ong Eng Chye | (Resigned w.e.f. 21.10.2022) |
| Saw Wah Theng | (Resigned w.e.f. 21.03.2023) |
| Liang Kai Chong | (Resigned w.e.f. 04.04.2023) |
| Beh Boon Ewe | (Resigned w.e.f. 19.06.2023) |
| Lung Hian Li | (Resigned w.e.f. 01.08.2023) |
| Ngan Chee Meng | (Resigned w.e.f. 01.08.2023) |

# DIRECTORS' REPORT (CONT'D.)

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in, or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 41 to the financial statements.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 July 2023 are as follows:

| | Group RM'000 | Company RM'000 |
|---|---|---|
| **Directors** | | |
| Executive: | | |
| Salaries, bonus and EPF | 12,558 | 11,948 |
| Defined contribution plans | 1,873 | 1,782 |
| Share options granted under ESOS | 3,654 | 3,654 |
| Other emoluments | | |
| – Allowances | 259 | 114 |
| – Benefits-in-kind | 1,038 | 932 |
| | 19,382 | 18,430 |
| Non-executive: | | |
| Fees | 909 | 909 |
| Other emoluments | | |
| – Allowances | 197 | 197 |
| – Benefits-in-kind | 44 | 44 |
| | 1,150 | 1,150 |
| Total | 20,532 | 19,580 |

## DIRECTORS' AND OFFICERS' INDEMNITY

The Company maintains a liability insurance for the directors and officers of the Company and its subsidiaries throughout the financial year, which provides insurance cover of RM50,000,000. The amount of insurance premium paid by the Company for the financial year ended 31 July 2023 was RM128,600 (2022: RM122,400). The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

# DIRECTORS' REPORT (CONT'D.)

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors of the Company at the end of the financial year in shares and option over shares in the Company and its related corporations during the financial year were as follows:

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| **Gamuda Berhad** | **1 August 2022** | **Bought/ Exercise of ESOS/DRP** | **Sold** | **31 July 2023** |
| **Direct holding** | | | | |
| Y Bhg Dato' Lin Yun Ling | 76,815,239 | 2,400,000 | – | **79,215,239** |
| Y Bhg Dato' Ir. Ha Tiing Tai | 28,032,000 | 3,398,000 | – | **31,430,000** |
| YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah | 228,750 | 8,314 | – | **237,064** |
| Y Bhg Tan Sri Dato' Setia Haji Ambrin bin Buang | 4,000 | – | (4,000) | **–** |
| Mr. Justin Chin Jing Ho | – | 600,000 | (600,000) | **–** |
| **Indirect holding** | | | | |
| Y Bhg Dato' Ir. Ha Tiing Tai# | 89,000 | 2,500 | – | **91,500** |
| YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah* | 113,500,000 | 3,854,657 | (863,354) | **116,491,303** |

*# Deemed interest through son*
** Deemed interest through Generasi Setia (M) Sdn. Bhd.*

### Employees' Share Options Scheme

| | | Number of Options | | | |
|---|---|---|---|---|---|
| | **Option price RM** | **1 August 2022** | **Granted** | **Exercised** | **31 July 2023** |
| **The Company** | | | | | |
| Y Bhg Dato' Lin Yun Ling | 2.55 | 6,000,000 | – | (2,400,000) | **3,600,000** |
| Y Bhg Dato' Ir. Ha Tiing Tai | 2.55 | 3,500,000 | – | (700,000) | **2,800,000** |
| Mr. Justin Chin Jing Ho | 2.55 | 3,000,000 | – | (600,000) | **2,400,000** |

Other than as disclosed above, none of the other directors of the Company at the end of the financial year had any interest in shares or option over shares of the Company or its related corporations during the financial year.

The Company's Employees' Share Option Scheme ("ESOS") was approved by shareholders at the Extraordinary General Meeting held on 8 December 2021 and is effective for 5 years from 9 December 2021 to 31 January 2027.

As at 31 July 2023, 209,767,100 ESOS remain unexercised. The principal features of the ESOS and details of the share options granted as at 31 July 2023 are disclosed in Note 26(d) and Note 26(g) to the financial statements.

# DIRECTORS' REPORT (CONT'D.)

## ISSUANCE OF SHARES

During the financial year, the Company increased its total issued and paid-up ordinary shares from 2,553,930,909 to 2,662,736,026 by way of the following:

(i) issuance of 37,138,423 new ordinary shares at an issue price of RM3.22 pursuant to the DRP application;

(ii) issuance of 35,792,794 new ordinary shares at an issue price of RM3.45 pursuant to the DRP application; and

(iii) issuance of 35,873,900 new ordinary shares under the ESOS.

The ordinary shares issued arising from the DRP application and ESOS shall rank pari passu in all respects with the existing issued ordinary shares of the Company.

## OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts have been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which the Group and the Company might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

(i) the amount written off for any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

(g) The Company has been granted exemption by the Companies Commission of Malaysia for its six subsidiaries from having to comply with Section 247(3) of the Companies Act 2016 to adopt a financial year end which coincides with that of its holding company for the financial year ended 31 July 2023 as follows:

(i) Gamuda Land Vietnam Limited Liability Company, Gamuda Land (HCMC) Joint Stock Company, Gamuda Land Binh Duong Company Limited, Gamuda Land Nam Viet Investment Company Limited and Truong Tin Construction and Housing Trading Company Limited with June financial year end; and

(ii) Gamuda-WCT (India) Private Limited with March financial year end.

# DIRECTORS' REPORT (CONT'D.)

## SIGNIFICANT EVENTS

Significant events are as disclosed in Note 42 to the financial statements.

## AUDITORS AND AUDITORS' REMUNERATION

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

| | Group RM'000 | Company RM'000 |
|---|---|---|
| Ernst & Young PLT and affiliated companies | 3,342 | 1,447 |
| Other auditors | 245 | 25 |
| | 3,587 | 1,472 |

## INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Group and the Company have agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during the financial year nor since the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2023.

**Tan Sri Dato' Setia Haji Ambrin bin Buang**
Chairman

**Dato' Ir. Ha Tiing Tai**
Deputy Group Managing Director

# STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Dato' Setia Haji Ambrin bin Buang and Dato' Ir. Ha Tiing Tai, being two of the directors of Gamuda Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 251 to 424 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2023 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2023.

**Tan Sri Dato' Setia Haji Ambrin bin Buang**
Chairman

**Dato' Ir. Ha Tiing Tai**
Deputy Group Managing Director

# STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Soo Kok Wong (MIA No. 10520), being the officer primarily responsible for the financial management of Gamuda Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 251 to 424 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Soo Kok Wong
at Petaling Jaya in Selangor Darul Ehsan
on 18 October 2023.

**Soo Kok Wong**

Before me,

Chin Chia Man (No. B449)
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Gamuda Berhad, which comprise the statements of financial position as at 31 July 2023 of the Group and of the Company, and the income statements, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 251 to 424.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis For Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

**1. Revenue and construction contract costs recognised as contract expenses**

63% and 65% of the Group's and of the Company's revenues respectively are derived from construction contracts which span more than one accounting period. For the financial year ended 31 July 2023, construction revenue and construction contract costs recognised as contract expenses are as follows:

Group's and Company's Construction contracts
Revenue: RM5,172,401,000 and RM3,342,424,000, respectively
Construction contract costs recognised as contract expenses: RM4,477,178,000 and RM2,931,102,000, respectively

The Group and Company have determined that certain performance obligations in relation to construction activities are satisfied over time and thus recognises revenue from this activity over time.

# INDEPENDENT AUDITORS' REPORT (CONT'D.)

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

### Key Audit Matters (cont'd.)

**1. Revenue and construction contract costs recognised as contract expenses (cont'd.)**

We identified construction contract revenue and construction contract costs recognised as contract expenses as areas requiring audit focus as these areas involved significant management's judgement and estimates, including:

i. Judgement and estimates made in the determination of whether variations in contract works should be included in the contract revenue; and

ii. Estimates made in respect of the total estimated contract costs (which forms part of the computation of percentage-of-completion for the construction contracts).

In addressing this area of focus, we performed, amongst others, the following procedures:

i. Read the contract to obtain an understanding of the specific terms and conditions;

ii. Obtained an understanding of the relevant processes and internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls performed by the management in estimating variation orders, claims, total contract costs, profit margin and progress of construction projects;

iii. Observed the progress of the constructions on a sampling basis by performing site visits and examined the physical completion progress reports. We have also discussed the status of on-going constructions with management, finance personnel and project officials;

iv. Evaluated management's assessment on whether provision for liquidated ascertained damages is required through supporting documents such as the construction agreements for the rates, extension of time approvals and work progress report indicating the reasons for the delay and efforts to catch up for phases whereby actual progress is behind planned progress;

v. Agreed the contract sum to approved variation order forms with respect to variations in contract works and claims for costs not included in the contract price;

vi. Evaluated the assumptions applied in the determination of the total construction contract costs by examining on a sampling basis the supporting evidence such as letters of award, approved purchase orders, sub-contractors' claims and invoices; and

vii. Evaluated the determination of progress of construction projects by examining on a sampling basis the supporting evidence such as contractors' progress claims and suppliers' invoices.

The Group's disclosure on contract assets/liabilities is included in Note 22 to the financial statements.

**2. Revenue and land and development costs**

32% of the Group's revenues are derived from property development contracts which span more than one accounting period. For the financial year ended 31 July 2023, property development revenue and cost of sales are as follows:

Property development activities
Revenue: RM2,620,978,000
Land and development costs: RM1,823,403,000

The Group has determined that certain performance obligations in relation to property development activities are satisfied over time and thus recognises revenue from this activity over time.

The amount of revenue and profit recognised from property development activities are dependent on, amongst others, the extent of costs incurred to the total estimated costs of construction to derive the percentage-of-completion; the actual number of units sold and the estimated total revenue for each of the respective projects.

# INDEPENDENT AUDITORS' REPORT (CONT'D.)

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

### Key Audit Matters (cont'd.)

**2. Revenue and land and development costs (cont'd.)**

We identified revenue and cost of sales from property development activities as an areas requiring audit focus as significant management's judgement and estimates are involved in estimating the total property development costs which include the common infrastructure costs (which is used to determine gross profit margin of property development activities undertaken by the Group).

In addressing this area of focus, we performed, amongst others, the following procedures:

i. Obtained an understanding of the processes and internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls performed by management in estimating the total property development cost, profit margin and progress of development projects;

ii. We read the sales and purchase agreements entered into with customers on a sampling basis to obtain an understanding of the specific terms and conditions;

iii. Evaluated assumptions applied in estimating the total property development costs on a sampling basis for each property development phase by examining documentary evidence such as letters of award issued to contractors to support the budgeted gross development cost. We also considered the historical accuracy of management's forecasts for the similar property development projects within the Group in evaluating the estimated total property development costs;

iv. Observed the progress of the property development phases on a sampling basis by performing site visits and examined the physical completion progress reports. We have also discussed the status of on-going property development phases with management, finance personnel and project officials;

v. Evaluated management's assessment on whether provision for liquidated ascertained damages is required through supporting documents such as the sales and purchase agreements for the rates, extension of time approvals and work progress report indicating the reasons for the delay and efforts to catch up for phases whereby actual progress is behind planned progress; and

vi. Evaluated the determination of progress of development projects by examining supporting evidence on a sampling basis such as contractors' progress claims and suppliers' invoices.

The Group's disclosure on property development costs recognised is included in Note 13(b) to the financial statements.

**3. Impairment of property, plant and equipment ("PPE") in a subsidiary, Gamuda Industrial Building System Sdn. Bhd. ("GIBS")**

The carrying amount of GIBS's PPE as at 31 July 2023 is RM304,184,000.

GIBS is involved in the manufacturing and installation of prefabricated concrete panels for construction of buildings. The cash-generating unit ("CGU") of the manufacturing and installation of prefabricated concrete panels has recorded continued losses since previous years. This gives rise to impairment indicators for the carrying amounts of the PPE of the CGUs. Accordingly, the Group had performed an impairment assessment on the assets in the subsidiary by estimating the recoverable amount applying the value-in-use ("VIU") method. Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the cash generating unit, and discounting them at an appropriate rate.

Due to the significance of the amount and the subjectivity involved in estimating the VIU, we identified this as our area of audit focus as the impairment assessment involves determining the recoverable amounts using a discounted cash flow approach which is complex and highly judgemental. Significant assumptions applied in the discounted cash flow, including revenue growth rate is affected by the local market demand for the subsidiary's products, and the economic conditions surrounding the property development sector. Judgement was also applied in determining the appropriate rate to discount the future cash flows to its present value.

# INDEPENDENT AUDITORS' REPORT (CONT'D.)

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

### Key Audit Matters (cont'd.)

**3. Impairment of property, plant and equipment ("PPE") in a subsidiary, Gamuda Industrial Building System Sdn. Bhd. ("GIBS") (cont'd.)**

In addressing this area of focus, we performed, amongst others, the following procedures:

i. Obtained an understanding of the relevant processes and internal controls over estimating the recoverable amount of the PPE;

ii. Evaluated the management's assumptions on revenue growth rate, gross profit margin and utilisation rate against the Group's plan to supply the prefabricated concrete panels for use in the Group's future development projects;

iii. Assessed the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the current market assessments of the time value of money and the risks specific to the asset is the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive from the asset; and

iv. Analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amount.

The Group's disclosure on impairment assessment of PPE in GIBS is included in Note 12(b) to the financial statements.

**4. Impairment of investment in a subsidiary – GIBS**

The carrying amount of the Company's investment in the wholly-owned subsidiary – GIBS as at 31 July 2023 is RM400,500,000 which accounted for approximately 3% of the Company's total assets.

The continued losses reported by the Company's subsidiary, GIBS, indicated that the carrying amount of the investment in subsidiary may be impaired. Accordingly, the Company had performed an impairment assessment on the investment in the subsidiary by estimating the recoverable amount applying the value-in-use ("VIU") method. Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the cash generating unit, and discounting them at an appropriate rate.

Due to the significance of the amount and the subjectivity involved in estimating the VIU, we identified this as our area of audit focus as the impairment assessment involves determining the recoverable amounts using a discounted cash flow approach which is complex and highly judgemental. Significant assumptions applied in the discounted cash flow, including revenue growth rate is affected by the local market demand for the subsidiary's products, and the economic conditions surrounding the property development sector. Judgement was also applied in determining the appropriate rate to discount the future cash flows to its present value.

In addressing this area of focus, we performed, amongst others, the following procedures:

i. Obtained an understanding of the relevant processes and internal controls over estimating the recoverable amount of the investment in the subsidiary;

ii. Evaluated the management's assumptions on revenue growth rate, gross profit margin and utilisation rate against the Group's plan to supply the prefabricated concrete panels for use in the Group's future development projects;

iii. Assessed the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive; and

iv. Analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amount.

The Company's disclosure on impairment assessment of investment in GIBS are included in Note 17(c) to the financial statements.

# INDEPENDENT AUDITORS' REPORT (CONT'D.)

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

### Information Other than the Financial Statements and Auditor's Report

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the information included in the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

### Responsibilities of Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

# INDEPENDENT AUDITORS' REPORT (CONT'D.)

to the members of Gamuda Berhad
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

### Auditors' Responsibilities for the Audit of the Financial Statements (cont'd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17(c) to the financial statements.

## OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Ernst & Young PLT**
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

**Ong Chee Wai**
No. 02857/07/2024J
Chartered Accountant

Kuala Lumpur, Malaysia
18 October 2023

# CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **Continuing operations** | | | |
| Revenue | 4 | **8,220,426** | 4,902,080 |
| Other income | | **207,950** | 187,963 |
| Construction contract costs recognised as contract expenses | | **(4,477,178)** | (1,744,552) |
| Land and development costs | | **(1,823,403)** | (1,853,970) |
| Changes in inventory of finished goods and work in progress | | **(12,165)** | (11,741) |
| Purchases – raw and trading materials | | **(127,681)** | (131,111) |
| Production overheads | | **(83,319)** | (73,500) |
| Staff costs | 5 | **(480,320)** | (276,463) |
| Depreciation and amortisation | | **(120,245)** | (111,543) |
| Reversal of doubtful debts | | **318** | 772 |
| Other operating expenses | | **(401,646)** | (253,294) |
| **Profit from operations** | 7 | **902,737** | 634,641 |
| Finance costs | 8 | **(78,407)** | (86,675) |
| Share of profits of associated companies | | **6,311** | 6,008 |
| Share of profits of joint ventures | | **227,133** | 343,825 |
| **Profit before tax from operations** | | **1,057,774** | 897,799 |
| Income tax expense | 9 | **(221,052)** | (156,385) |
| **Profit for the year from operations, net of tax** | | **836,722** | 741,414 |
| **Discontinued operations** | | | |
| Profit from discontinued operations, net of tax | | | |
| – Core profit | 47 | **57,214** | 94,632 |
| – Exceptional gain arising from disposal of highway concessions | 47 | **1,111,124** | – |
| **Profit for the financial year** | | **2,005,060** | 836,046 |
| **Profit attributable to:** | | | |
| **Owners of the Company** | | | |
| – Continuing operations | | **814,725** | 725,794 |
| – Discontinued operations | | **1,023,676** | 80,431 |
| | | **1,838,401** | 806,225 |
| **Non-controlling interests** | | | |
| – Continuing operations | | **21,997** | 15,620 |
| – Discontinued operations | | **144,662** | 14,201 |
| | | **166,659** | 29,821 |
| **Total** | | **2,005,060** | 836,046 |

# CONSOLIDATED INCOME STATEMENT (CONT'D.)

For the financial year ended 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **Profit attributable to owners of the Company can be analysed as follows:** | | | |
| Profit before taxation from continuing and discontinued operations | | | |
| – Core profit | | **1,117,744** | 1,016,110 |
| – Exceptional gain arising from disposal of highway concessions | | **1,111,124** | – |
| Total profit | | **2,228,868** | 1,016,110 |
| Less: Income tax expense | | **(223,808)** | (180,064) |
| Profit after tax | | **2,005,060** | 836,046 |
| Less: Non-controlling interests | | **(166,659)** | (29,821) |
| Profit attributable to owners of the Company | | **1,838,401** | 806,225 |
| Core profit after tax | | **860,113** | 806,225 |
| Exceptional gain arising from disposal of highway concession, excluding NCI | | **978,288** | – |
| Profit attributable to owners of the Company | | **1,838,401** | 806,225 |
| **Earnings per share attributable to owners of the Company** | | | |
| **Basic earnings per share (sen)** | 10(a) | | |
| – Continuing operations | | **30.99** | 28.68 |
| – Discontinued operations | | **38.94** | 3.18 |
| | | **69.93** | 31.86 |
| **Fully diluted earnings per share (sen)** | 10(b) | | |
| – Continuing operations | | **30.27** | 28.46 |
| – Discontinued operations | | **38.03** | 3.15 |
| | | **68.30** | 31.61 |
| Net dividends per ordinary share (sen) | 11 | **50.0** | 12.0 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Profit for the year | **2,005,060** | 836,046 |
| **Other comprehensive income:** | | |
| **Other comprehensive income to be reclassified to profit or loss in subsequent periods:** | | |
| Foreign currency translation (Note 27) | **(48,319)** | 114,276 |
| Share of associated companies' foreign currency translation (Note 27) | **(2,324)** | (978) |
| Fair value changes on investment security: | | |
| financial asset at fair value through other comprehensive income | **6,720** | – |
| | **(43,923)** | 113,298 |
| **Other comprehensive income not to be reclassified to profit or loss in subsequent periods:** | | |
| Fair value (loss)/gain remeasurement on defined benefit plan (Note 29) | **(3,648)** | 3,767 |
| Income tax effect | **100** | (163) |
| Fair value changes of equity instrument: | | |
| financial asset at fair value through other comprehensive income | **(3,069)** | – |
| | **(6,617)** | 3,604 |
| Total comprehensive income for the year | **1,954,520** | 952,948 |
| Total comprehensive income attributable to: | | |
| Owners of the Company | **1,788,646** | 924,217 |
| Non-controlling interests | **165,874** | 28,731 |
| | **1,954,520** | 952,948 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 12 | **1,648,981** | 1,095,482 |
| Land held for property development | 13(a) | **3,666,091** | 3,507,908 |
| Investment properties | 14 | **631,027** | 691,494 |
| Right-of-use assets | 15 | **168,392** | 79,319 |
| Goodwill | 16(a) | **497,583** | – |
| Concession development expenditure | 16(b) | **140,226** | 137,124 |
| Interests in associated companies | 18 | **161,142** | 77,606 |
| Interests in joint arrangements | 19 | **1,228,980** | 933,063 |
| Other investments | 20 | **12,439** | 7,802 |
| Deferred tax assets | 32 | **135,616** | 64,246 |
| Receivables and other financial assets | 21 | **270,596** | 324,653 |
| | | **8,561,073** | 6,918,697 |
| **Current assets** | | | |
| Property development costs | 13(b) | **3,912,891** | 2,011,858 |
| Inventories | 13(c) | **717,222** | 655,437 |
| Receivables and other financial assets | 21 | **2,942,108** | 2,437,077 |
| Contract assets | 22 | **3,451,990** | 2,695,647 |
| Tax recoverable | | **21,756** | 20,381 |
| Investment securities | 23 | **1,007,803** | 700,782 |
| Cash and bank balances | 25 | **3,169,466** | 2,794,348 |
| | | **15,223,236** | 11,315,530 |
| Assets held for sale | 47 | **–** | 2,028,499 |
| | | **15,223,236** | 13,344,029 |
| **Total assets** | | **23,784,309** | 20,262,726 |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D.)

As at 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to owners of the Company** | | | |
| Share capital | 26 | **4,078,131** | 3,723,168 |
| Reserves | | **6,712,973** | 6,181,800 |
| **Owners' equity** | | **10,791,104** | 9,904,968 |
| Non-controlling interests | | **135,458** | 349,444 |
| **Total equity** | | **10,926,562** | 10,254,412 |
| **Non-current liabilities** | | | |
| Payables | 30(a) | **225,646** | 202,840 |
| Contract liabilities | 22 | **21,568** | 21,486 |
| Provision for liabilities | 37 | **123,691** | 99,262 |
| Deferred tax liabilities | 32 | **160,805** | 104,311 |
| Long term Islamic debts | 33 | **2,650,000** | 1,950,000 |
| Long term conventional debts | 34 | **2,864,037** | 1,280,727 |
| | | **6,045,747** | 3,658,626 |
| **Current liabilities** | | | |
| Short term Islamic debts | 33 | **535,150** | 1,008,902 |
| Short term conventional debts | 34 | **874,509** | 540,435 |
| Payables | 30(b) | **3,712,986** | 2,666,581 |
| Contract liabilities | 22 | **1,348,519** | 1,429,921 |
| Provision for liabilities | 37 | **254,612** | 160,434 |
| Tax payable | | **86,224** | 84,361 |
| | | **6,812,000** | 5,890,634 |
| Liabilities directly associated with the assets held for sale | 47 | **–** | 459,054 |
| | | **6,812,000** | 6,349,688 |
| **Total liabilities** | | **12,857,747** | 10,008,314 |
| **Total equity and liabilities** | | **23,784,309** | 20,262,726 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 July 2023

| | Attributable to owners of the Company | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Non-distributable | | | | Distributable | | | |
| Group | Share capital RM'000 (Note 26) | Option reserves RM'000 | Other reserves RM'000 (Note 27) | Fair value reserve of financial assets at FVOCI RM'000 | Retained profits RM'000 (Note 28) | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| **At 1 August 2022** | **3,723,168** | **16,832** | **337,010** | **–** | **5,827,958** | **9,904,968** | **349,444** | **10,254,412** |
| Total comprehensive income | – | – | (49,858) | 3,651 | 1,834,853 | 1,788,646 | 165,874 | 1,954,520 |
| **Transactions with owners:** | | | | | | | | |
| Issuance of ordinary shares pursuant to exercise of ESOS | 98,300 | – | – | – | – | 98,300 | – | 98,300 |
| Share options granted under ESOS | – | 66,427 | – | – | – | 66,427 | – | 66,427 |
| Share options exercised under ESOS | 13,592 | (13,592) | – | – | – | – | – | – |
| Issuance of ordinary shares by a subsidiary to non-controlling interest | – | – | – | – | – | – | 2,178 | 2,178 |
| Dividends paid by subsidiaries to non-controlling interests | – | – | – | – | – | – | (382,038) | (382,038) |
| Dividend paid for FY2022 | | | | | | | | |
| Second interim dividend paid to shareholders: | | | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | 119,586 | – | – | – | – | 119,586 | – | 119,586 |
| Dividends paid and payable for FY2023 | | | | | | | | |
| Special dividend paid to shareholders (Note 11) | – | – | – | – | (993,284) | (993,284) | – | (993,284) |
| First interim dividend paid to shareholders: | | | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | 123,485 | – | – | – | (123,485) | – | – | – |
| – Cash dividend (Note 11) | – | – | – | – | (33,734) | (33,734) | – | (33,734) |
| Second interim dividend payable to shareholders: | | | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | – | – | – | – | (123,718) | (123,718) | – | (123,718) |
| – Cash dividend (Note 11) | – | – | – | – | (36,087) | (36,087) | – | (36,087) |
| Total transactions with owners | 354,963 | 52,835 | – | – | (1,310,308) | (902,510) | (379,860) | (1,282,370) |
| **At 31 July 2023** | **4,078,131** | **69,667** | **287,152** | **3,651** | **6,352,503** | **10,791,104** | **135,458** | **10,926,562** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D.)

For the financial year ended 31 July 2023

| Group | Attributable to owners of the Company — Non-distributable: Share capital RM'000 (Note 26) | Option reserves RM'000 | Other reserves RM'000 (Note 27) | Fair value reserve of financial assets at FVOCI RM'000 | Distributable: Retained profits RM'000 (Note 28) | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
|---|---|---|---|---|---|---|---|---|
| **At 1 August 2021** | 3,620,950 | – | 222,622 | – | 5,319,985 | 9,163,557 | 352,145 | 9,515,702 |
| Total comprehensive income | – | – | 114,388 | – | 809,829 | 924,217 | 28,731 | 952,948 |
| **Transactions with owners:** | | | | | | | | |
| Share options granted under ESOS | – | 16,832 | – | – | – | 16,832 | – | 16,832 |
| Issuance of ordinary shares by a subsidiary to non-controlling interest | – | – | – | – | – | – | 7,968 | 7,968 |
| Dividends paid by subsidiaries to non-controlling interests | – | – | – | – | – | – | (39,400) | (39,400) |
| First interim dividend paid to shareholders: | | | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | 102,218 | – | – | – | (102,218) | – | – | – |
| – Cash dividend (Note 11) | – | – | – | – | (48,594) | (48,594) | – | (48,594) |
| Second interim dividend payable to shareholders: | | | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | – | – | – | – | (119,586) | (119,586) | – | (119,586) |
| – Cash dividend (Note 11) | – | – | – | – | (33,650) | (33,650) | – | (33,650) |
| Acquisition of additional interest in a joint arrangement (Note 19(c)(i)) | – | – | – | – | 2,192 | 2,192 | – | 2,192 |
| Total transactions with owners | 102,218 | 16,832 | – | – | (301,856) | (182,806) | (31,432) | (214,238) |
| **At 31 July 2022** | 3,723,168 | 16,832 | 337,010 | – | 5,827,958 | 9,904,968 | 349,444 | 10,254,412 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before tax from continuing operations | **1,057,774** | 897,799 |
| Profit before tax from discontinued operations | **1,171,094** | 118,311 |
| Profit before tax | **2,228,868** | 1,016,110 |
| Adjustments for: | | |
| Amortisation: | | |
| – Concession development expenditure | **25,315** | 23,555 |
| Depreciation: | | |
| – Property, plant and equipment | **68,339** | 62,972 |
| – Investment properties | **18,918** | 16,742 |
| – Right-of-use assets | **7,673** | 8,271 |
| Provision for: | | |
| – Liabilities | **22,614** | 1,400 |
| – Retirement benefits obligations | **5,334** | 5,509 |
| – Short term accumulating compensated absences | **318** | 1,107 |
| Property, plant and equipment written off | **1,605** | 422 |
| Net (gain)/loss on: | | |
| – Disposal of property, plant and equipment | **(1,078)** | (3,404) |
| – Disposal of investment properties | **–** | (3,563) |
| – Disposal of highway concessions | **(1,111,124)** | – |
| – Unrealised foreign exchange | **(8,938)** | 578 |
| – Deemed disposal of interest in an associated company | **(3,457)** | (10,196) |
| Fair value loss/(gain) on CCIRS loan | **15,392** | (16,418) |
| Share of profits of: | | |
| – Associated companies | **(6,311)** | (6,008) |
| – Joint ventures | **(227,133)** | (343,825) |
| Net allowance for doubtful debts | **(318)** | (772) |
| Fair value gain on investment securities | **(7,928)** | (1,300) |
| Share options granted under ESOS | **66,427** | 16,832 |
| Distribution from investment securities: | | |
| – Islamic | **(18,718)** | (6,789) |
| – Non-Islamic | **(5,078)** | (12,142) |
| Profit rate from Islamic fixed deposits | **(19,658)** | (7,289) |
| Interest income arising from: | | |
| – Non-Islamic fixed deposits | **(101,781)** | (82,990) |
| – Significant financing component | **(330)** | (190) |
| Unwinding of discount: | | |
| Notional interest income on non-current: | | |
| – trade receivables | **(1,932)** | (5,609) |
| – amounts due from joint ventures | **–** | (3,518) |
| Notional interest expense on non-current payables | **23,458** | 31,539 |
| Finance costs | **58,014** | 65,254 |
| Operating profit before working capital changes | **1,028,491** | 746,278 |

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D.)

For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Cash flows from operating activities (cont'd.)** | | |
| Operating profit before working capital changes | **1,028,491** | 746,278 |
| Movements in: | | |
| – Land held for property development | **(93,383)** | (227,583) |
| – Property development costs | **178,190** | 684,619 |
| – Inventories | **215,359** | 16,460 |
| – Receivables | **(320,522)** | (669,169) |
| – Contract assets/(liabilities) | **(1,103,865)** | (565,412) |
| – Payables | **906,844** | 795,858 |
| – Lease liabilities | **51,636** | 5,703 |
| Cash generated from operations | **862,750** | 786,754 |
| Income taxes paid | **(238,405)** | (111,557) |
| Finance costs paid | **(217,928)** | (198,991) |
| Retirement benefit obligations paid | **(2,007)** | (1,795) |
| Net operating cash flows attributable to discontinued operations | **–** | (4,310) |
| Net cash generated from operating activities | **404,410** | 470,101 |
| **Cash flows from investing activities** | | |
| Additions to: | | |
| – Property, plant and equipment | **(523,976)** | (205,510) |
| – Land held for property development | **(229,929)** | (166,778) |
| – Investment properties | **(10,939)** | (2,658) |
| – Concession development expenditures | **(28,417)** | (9,537) |
| Acquisition of land for property development | **(1,962,159)** | (181,840) |
| Acquisition of Downer Transport Projects | **(591,329)** | – |
| Acquisition of a subsidiary | **(29,526)** | – |
| Proceeds from: | | |
| – Disposal of property, plant and equipment | **3,192** | 4,935 |
| – Disposal of investment properties | **–** | 6,782 |
| – Disposal of highway concession companies | **2,564,055** | – |
| Capital injection to an associated company | **–** | (2,100) |
| Capital injection in joint ventures | **(176,488)** | – |
| Acquisition of interest in an associate | **(80,000)** | – |
| Repayment of advances from a joint venture | **60,575** | – |
| Net (purchase)/withdrawal of investment securities | **(303,010)** | 175,912 |
| Withdrawals of deposits with tenure of more than 3 months | **824,918** | 37,453 |
| Dividend received from: | | |
| – Associated companies | **–** | 57,514 |
| – Joint ventures | **105,000** | 423,000 |
| Distribution received from investment securities: | | |
| – Islamic | **18,718** | 6,876 |
| – Non-Islamic | **5,078** | 12,142 |
| Profit rate received from Islamic fixed deposits | **19,658** | 12,293 |
| Interest income received from non-Islamic fixed deposits | **101,781** | 76,329 |
| Net investing cash flows attributable to discontinued operations | **–** | 151,717 |
| Net cash (used in)/generated from investing activities | **(232,798)** | 396,530 |

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D.)

For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Cash flows from financing activities** | | |
| Net drawndown/(repayment) of borrowings and debts | **2,128,240** | (143,510) |
| Repayment of lease liabilities | **(14,809)** | (6,113) |
| Proceeds from exercise of ESOS | **98,300** | – |
| Capital injection in a subsidiary by non-controlling interest | **2,178** | 7,968 |
| Dividends paid to: | | |
| – Shareholders | **(1,060,668)** | (48,593) |
| – Non-controlling interests | **(382,038)** | (18,400) |
| Net financing cash flows attributable to discontinued operations | **–** | (111,000) |
| Net cash generated from/(used in) financing activities | **771,203** | (319,648) |
| **Net increase in cash and cash equivalents** | **942,815** | 546,983 |
| **Effects of exchange rate changes** | **(20,663)** | 51,154 |
| **Cash and cash equivalents at beginning of year** | **1,908,434** | 1,310,297 |
| **Cash and cash equivalents at end of year (Note 25)** | **2,830,586** | 1,908,434 |

**Reconciliation of liabilities arising from financing activities:**

The table below details changes in the Group's borrowings and debts arising from financing activities, including both cash and non-cash changes.

| | Borrowings RM'000 (Note 33 and 34) | Lease liabilities RM'000 (Note 31) | Total RM'000 |
|---|---|---|---|
| At 1 August 2022 | **4,780,064** | **10,406** | **4,790,470** |
| Repayment during the year | **(1,952,972)** | **(14,809)** | **(1,967,781)** |
| Additions during the year | **4,105,338** | **51,636** | **4,156,974** |
| Fair value loss on CCIRS loan (Note 35) | **15,392** | **–** | **15,392** |
| Interest expense | **–** | **1,557** | **1,557** |
| Effects of exchange rate changes | **(24,126)** | **(76)** | **(24,202)** |
| At 31 July 2023 | **6,923,696** | **48,714** | **6,972,410** |
| At 1 August 2021 | 5,227,794 | 10,727 | 5,238,521 |
| Repayment during the year | (1,063,983) | (6,113) | (1,070,096) |
| Additions during the year | 830,473 | 5,301 | 835,774 |
| Fair value gain on embedded derivatives | (16,418) | – | (16,418) |
| Interest expense | – | 402 | 402 |
| Effects of exchange rate changes | (2,802) | 89 | (2,713) |
| | 4,975,064 | 10,406 | 4,985,470 |
| Less: Liabilities directly associated with the assets held for sale | (195,000) | – | (195,000) |
| At 31 July 2022 | 4,780,064 | 10,406 | 4,790,470 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# INCOME STATEMENT

For the financial year ended 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| Revenue | 4 | **5,159,765** | 1,938,579 |
| Other income | | **242,182** | 166,636 |
| Construction contract costs recognised as contract expenses | | **(2,931,102)** | (1,185,642) |
| Staff costs | 5 | **(208,398)** | (102,868) |
| Depreciation | | **(9,335)** | (6,302) |
| Other operating expenses | | **(66,493)** | (50,842) |
| Impairment of cost of investment in SMART Holdings | | **–** | (49,500) |
| **Profit from operations** | 7 | **2,186,619** | 710,061 |
| Finance costs | 8 | **(100,504)** | (102,217) |
| **Profit before tax from operations** | | **2,086,115** | 607,844 |
| Income tax expense | 9 | **(64,738)** | (30,838) |
| **Profit for the year** | | **2,021,377** | 577,006 |
| Net dividends per ordinary share (sen) | 11 | **50.00** | 12.0 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENT OF OTHER COMPREHENSIVE INCOME

For the financial year ended 31 July 2023

| | 2023<br>RM'000 | 2022<br>RM'000 |
|---|---|---|
| Profit for the year | **2,021,377** | 577,006 |
| **Other comprehensive income:** | | |
| **Other comprehensive income to be reclassified to profit or loss in subsequent periods:** | | |
| Foreign currency translation (Note 27) | **(5,111)** | 663 |
| Fair value changes on investment security: financial asset at fair value through other comprehensive income | **6,720** | – |
| **Other comprehensive income not to be reclassified to profit or loss in subsequent periods:** | | |
| Fair value (loss)/gain remeasurement on defined benefit plan (Note 29) | **(217)** | 368 |
| Income tax effect | **53** | (88) |
| Fair value changes of equity instrument: financial asset at fair value through other comprehensive income | **(3,069)** | – |
| Other comprehensive (loss)/income for the year, net of tax | **(1,624)** | 943 |
| **Total comprehensive income for the year** | **2,019,753** | 577,949 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENT OF FINANCIAL POSITION

As at 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 12 | **425,576** | 196,598 |
| Investment properties | 14 | **9,742** | 9,764 |
| Right-of-use assets | 15 | **19,410** | 7,569 |
| Investments in subsidiaries | 17 | **6,004,207** | 4,563,658 |
| Interests in associated companies | 18 | **83,004** | 3,004 |
| Interests in joint arrangements | 19 | **140,377** | 128,127 |
| Other investments | 20 | **12,439** | 7,802 |
| Deferred tax assets | 32 | **10,594** | 5,693 |
| Receivables and other financial assets | 21 | **9,101** | 12,589 |
| Due from subsidiaries | 24 | **2,442,591** | 1,150,000 |
| | | **9,157,041** | 6,084,804 |
| **Current assets** | | | |
| Inventories | 13(c) | **718** | 661 |
| Receivables and other financial assets | 21 | **901,353** | 870,767 |
| Contract assets | 22 | **138,791** | 39,535 |
| Due from subsidiaries | 24 | **2,573,549** | 2,986,151 |
| Investment securities | 23 | **918,207** | 606,192 |
| Cash and bank balances | 25 | **976,791** | 722,856 |
| Tax recoverable | | **1,846** | 2,039 |
| | | **5,511,255** | 5,228,201 |
| Assets held for distribution | 47 | **–** | 635,348 |
| | | **5,511,255** | 5,863,549 |
| **Total assets** | | **14,668,296** | 11,948,353 |

# STATEMENT OF FINANCIAL POSITION (CONT'D.)

As at 31 July 2023

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| Share capital | 26 | **4,078,131** | 3,723,168 |
| Reserves | | **4,575,495** | 3,813,215 |
| **Owners' equity** | | **8,653,626** | 7,536,383 |
| **Non-current liabilities** | | | |
| Payables | 30(a) | **34,054** | 49,640 |
| Due to subsidiaries | 36 | **7,519** | 1,892 |
| Long term Islamic debts | 33 | **1,650,000** | 850,000 |
| Long term conventional debts | 34 | **1,389,680** | 300,000 |
| | | **3,081,253** | 1,201,532 |
| **Current liabilities** | | | |
| Short term Islamic debts | 33 | **235,150** | 908,902 |
| Short term conventional debts | 34 | **602,480** | 254,284 |
| Payables | 30(b) | **1,109,765** | 670,343 |
| Contract liabilities | 22 | **759,965** | 1,245,163 |
| Due to subsidiaries | 36 | **175,993** | 107,656 |
| Provision for liabilities | 37 | **17,473** | – |
| Tax payable | | **32,591** | 24,090 |
| | | **2,933,417** | 3,210,438 |
| **Total liabilities** | | **6,014,670** | 4,411,970 |
| **Total equity and liabilities** | | **14,668,296** | 11,948,353 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 July 2023

| Company | ← Non-distributable | | | → | Distributable | |
|---|---|---|---|---|---|---|
| | Share capital RM'000 (Note 26) | Option reserves RM'000 | Other reserves RM'000 (Note 27) | Fair value reserve of financial assets at FVOCI RM'000 | Retained profits RM'000 (Note 28) | Total RM'000 |
| **At 1 August 2022** | **3,723,168** | **16,832** | **7,726** | **–** | **3,788,657** | **7,536,383** |
| Total comprehensive income | **–** | **–** | **(5,275)** | **3,651** | **2,021,377** | **2,019,753** |
| **Transactions with owners:** | | | | | | |
| Issuance of ordinary shares pursuant to exercise of ESOS | **98,300** | **–** | **–** | **–** | **–** | **98,300** |
| Share options granted under ESOS | **–** | **66,427** | **–** | **–** | **–** | **66,427** |
| Share options exercised under ESOS | **13,592** | **(13,592)** | **–** | **–** | **–** | **–** |
| Dividend paid for FY2022 | | | | | | |
| Second interim dividend paid to shareholders: | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | **119,586** | **–** | **–** | **–** | **–** | **119,586** |
| Dividend paid and payable for FY2023 | | | | | | |
| Special dividend paid to shareholders (Note 11) | **–** | **–** | **–** | **–** | **(993,284)** | **(993,284)** |
| First interim dividend paid to shareholders: | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | **123,485** | **–** | **–** | **–** | **(123,485)** | **–** |
| – Cash dividend (Note 11) | **–** | **–** | **–** | **–** | **(33,734)** | **(33,734)** |
| Second interim dividend payable to shareholders: | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | **–** | **–** | **–** | **–** | **(123,718)** | **(123,718)** |
| – Cash dividend (Note 11) | **–** | **–** | **–** | **–** | **(36,087)** | **(36,087)** |
| Total transactions with owners | **354,963** | **52,835** | **–** | **–** | **(1,310,308)** | **(902,510)** |
| **At 31 July 2023** | **4,078,131** | **69,667** | **2,451** | **3,651** | **4,499,726** | **8,653,626** |
| **At 1 August 2021** | 3,620,950 | – | 7,063 | – | 3,513,227 | 7,141,240 |
| Total comprehensive income | – | – | 663 | – | 577,286 | 577,949 |
| **Transactions with owners:** | | | | | | |
| Issuance of ordinary shares pursuant to exercise of ESOS | – | 16,832 | – | – | – | 16,832 |
| First interim dividend paid to shareholders: | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | 102,218 | – | – | – | (102,218) | – |
| – Cash dividend (Note 11) | – | – | – | – | (48,594) | (48,594) |
| Second interim dividend payable to shareholders: | | | | | | |
| – Issuance of new shares in the Company pursuant to the DRP (Note 11) | – | – | – | – | (119,586) | (119,586) |
| – Cash dividend (Note 11) | – | – | – | – | (33,650) | (33,650) |
| Acquisition of additional interest in a joint arrangement (Note 19(c)(i)) | – | – | – | – | 2,192 | 2,192 |
| Total transactions with owners | 102,218 | 16,832 | – | – | (301,856) | (182,806) |
| **At 31 July 2022** | 3,723,168 | 16,832 | 7,726 | – | 3,788,657 | 7,536,383 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENT OF CASH FLOWS
For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before tax | **2,086,115** | 607,844 |
| Adjustments for: | | |
| Depreciation: | | |
| – Property, plant and equipment | **7,605** | 5,566 |
| – Right-of-use assets | **1,708** | 712 |
| – Investment properties | **22** | 24 |
| Net provision for/(reversal of): | | |
| – Retirement benefits obligations | **368** | 693 |
| – Short term accumulating compensated absences | **(184)** | 186 |
| – Liabilities | **17,090** | – |
| Net gain on: | | |
| – Disposal of property, plant and equipment | **(2)** | (7) |
| – Unrealised foreign exchange | **(11,415)** | (12,012) |
| – Capital repayment from an associate company | **(2,910)** | – |
| Share options granted under ESOS | **66,427** | 16,832 |
| Dividend income from: | | |
| – Subsidiaries | **(524,454)** | (139,170) |
| – Associated companies | **(1,187,887)** | (57,514) |
| – Joint ventures | **(105,000)** | (423,000) |
| Distribution from investment securities: | | |
| – Islamic | **(18,212)** | (5,575) |
| – Non-Islamic | **(3,514)** | (8,757) |
| Profit rate from Islamic fixed deposits | **(2,038)** | (330) |
| Interest income from: | | |
| – Non-Islamic fixed deposits | **(29,200)** | (1,433) |
| – Subsidiaries | **(133,590)** | (128,653) |
| Fair value gain on investment securities | **(7,928)** | (1,300) |
| Unwinding of discount: | | |
| Notional interest income on non-current: | | |
| – trade receivables | **(408)** | (1,718) |
| – amounts due to subsidiaries | **(640)** | (1,213) |
| Notional interest expense on non-current payables | **1,300** | 5,306 |
| Finance costs | **99,204** | 96,911 |
| Impairment of cost of investment in SMART Holdings | **–** | 49,500 |
| Operating profits before working capital changes | **252,457** | 2,892 |
| Movement in: | | |
| – Net amounts due from/to subsidiaries (trade) | **(1,408,969)** | 897,165 |
| – Receivables | **(26,690)** | (122,056) |
| – Inventories | **(57)** | (14) |
| – Contract assets/(liabilities) | **(566,522)** | 398,278 |
| – Lease liabilities | **20,647** | 2,405 |
| – Payables | **416,271** | 273,379 |
| Cash (used in)/generated from operations | **(1,312,863)** | 1,452,049 |
| Dividend received | **2,262,399** | 513,170 |
| Income taxes paid | **(60,563)** | (28,131) |
| Finance costs paid | **(99,199)** | (96,911) |
| Retirement benefit obligations paid | **(164)** | – |
| Net operating cash flows attributable to discontinued operations | **–** | 106,514 |
| Net cash generated from operating activities | **789,610** | 1,946,691 |

# STATEMENT OF CASH FLOWS (CONT'D.)

For the financial year ended 31 July 2023

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment | **(251,260)** | (65,200) |
| Proceeds from disposal of property, plant and equipment | **12** | 13 |
| Proceeds from capital reduction of an associate company | **193,200** | - |
| Capital injection in subsidiaries | **(391,915)** | (258,356) |
| Additions in right-of-use assets | **(19,165)** | (5,007) |
| Acquisition of additional interest in an associate company | **(80,000)** | (7,069) |
| Acquisition of additional interest in a joint venture | **(12,250)** | - |
| Acquisition of additional investment in other investments | **(7,707)** | - |
| Net advances to subsidiaries | **(434,275)** | (1,162,279) |
| Net (purchase)/withdrawal of investment securities | **(297,367)** | 137,524 |
| Deposits with tenure of more than 3 months (Note 25) | **(252,037)** | - |
| Distribution received from investment securities: | | |
| – Islamic | **18,212** | 5,575 |
| – Non-Islamic | **3,514** | 8,757 |
| Profit rate received from Islamic fixed deposits | **2,038** | 330 |
| Interest income from: | | |
| – Non-Islamic fixed deposits | **29,200** | 1,433 |
| – Subsidiaries | **133,590** | 128,653 |
| Net cash used in investing activities | **(1,366,210)** | (1,215,626) |
| **Cash flows from financing activities** | | |
| Net drawdown/(repayment) of borrowings and debts | **1,566,893** | (93,518) |
| Payment of lease liabilities | **(8,520)** | (1,831) |
| Proceeds from exercise of ESOS | **98,300** | – |
| Dividend paid to shareholders | **(1,060,668)** | (48,593) |
| Net cash generated from/(used in) financing activities | **596,005** | (143,942) |
| **Net increase in cash and cash equivalents** | **19,405** | 587,123 |
| **Effects of exchange rate changes** | **(17,507)** | 628 |
| **Cash and cash equivalents at beginning of year** | **722,856** | 135,105 |
| **Cash and cash equivalents at end of year (Note 25)** | **724,754** | 722,856 |

# STATEMENT OF CASH FLOWS (CONT'D.)

For the financial year ended 31 July 2023

**Reconciliation of liabilities arising from financing activities:**

The table below details changes in the Company's borrowings and debts arising from financing activities, including both cash and non-cash changes.

| | Borrowings RM'000 (Note 33 and 34) | Lease liabilities RM'000 (Note 31) | Total RM'000 |
|---|---|---|---|
| At 1 August 2022 | **2,313,186** | **3,087** | **2,316,273** |
| Repayment during the year | **(1,783,713)** | **(8,520)** | **(1,792,233)** |
| Additions during the year | **3,350,606** | **19,731** | **3,370,337** |
| Interest expense | **–** | **916** | **916** |
| Effects of exchange rate changes | **(2,769)** | **(22)** | **(2,791)** |
| At 31 July 2023 | **3,877,310** | **15,192** | **3,892,502** |
| | | | |
| At 1 August 2021 | 2,407,987 | 682 | 2,408,669 |
| Repayment during the year | (1,590,828) | (1,831) | (1,592,659) |
| Additions during the year | 1,497,310 | 4,159 | 1,501,469 |
| Interest expense | – | 69 | 69 |
| Effects of exchange rate changes | (1,283) | 8 | (1,275) |
| At 31 July 2022 | 2,313,186 | 3,087 | 2,316,273 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

– 31 July 2023

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at Menara Gamuda, PJ Trade Centre, No. 8, Jalan PJU 8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and civil engineering construction. The principal activities of the subsidiaries, associated companies and joint arrangements are described in Notes 17, 18 and 19 respectively.

There have been no significant changes in the nature of these activities during the financial year other than the disposal of the Group's highway concessions during the year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 October 2023.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

The financial statements of the Group and of the Company have been prepared on the historical cost basis except as disclosed in the accounting policies below.

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 August 2022, the Group and the Company adopted the following amended MFRSs:

**Effective for annual periods beginning on or after 1 January 2022:**

| | |
|---|---|
| Amendments to MFRS 3 | Reference to the Conceptual Framework |
| Amendments to MFRS 116 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract |
| Amendments to MFRSs | Annual Improvements to MFRS Standards 2018 – 2020 |

The adoption of these amended standards did not have any material financial impact to the Group and the Company.

### 2.3 Standards and interpretations issued but not yet effective

The Group and the Company have not adopted the following standards and amendments to MFRSs that have been issued, but yet to be effective:

**Effective for annual periods beginning on or after 1 January 2023:**

| | |
|---|---|
| MFRS 17 and amendments to MFRS 17 | Insurance Contracts (including amendments to initial application of MFRS 17 and MFRS 9 – Comparative Information) |
| Amendments to MFRS 101 | Disclosure of Accounting Policies |
| Amendments to MFRS 108 | Definition of Accounting Estimates |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| Amendments to MFRS 112 | International Tax Reform – Pillar Two Model Rules |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.3 Standards and interpretations issued but not yet effective (cont'd.)

The Group and the Company have not adopted the following standards and amendments to MFRSs that have been issued, but yet to be effective: (cont'd.)

**Effective for annual periods beginning on or after 1 January 2024:**

| | |
|---|---|
| Amendments to MFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to MFRS 101 | Non-current Liabilities with Covenants |
| Amendments to MFRS 101 | Classification of Liabilities as Current or Non-current |
| Amendments to MFRS 107 and MFRS 7 | Supplier Finance Arrangements |

**Deferred:**

| | |
|---|---|
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |

The directors expect that the adoption of the above standards and amendments to MFRSs will have no significant impact on the financial statements of the Group and the Company in the period of initial application.

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement(s) with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements; and

(iii) The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.4 Basis of consolidation (cont'd.)

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### 2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Investment in associated companies and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's effective interest in associated companies reduces over time arising from the corporate exercises that do not involve the Group, such reduction in effective interest is commonly referred to as deemed disposal. The deemed disposal gives rise to only a partial disposal, such that the Group continues to equity account the Group's interest in the associated companies and consequently gives rise to dilution gain.

The applicable accounting standard, MFRS 128 Investment in Associates and Joint Ventures, does not prescribe where the dilution gains should be recognised in income statement, OCI or equity. In the absence of further guidance, the Group had decided to recognise the dilution gains in the income statement. This is intended to bring the Group's reporting closer to the practice of most of the other companies and views of the relevant accounting bodies to enhance the comparability of the Group's financial statements for the benefit of users of the financial statements. The dilution gain has been disclosed according in Note 7.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.7 Investment in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group and the Company as joint operators recognise in relation to their interests in joint operations:

(i) their assets, including their shares of any assets held jointly;

(ii) their liabilities, including their shares of any liabilities incurred jointly;

(iii) their revenue from the sale of their shares of the output arising from the joint operations;

(iv) their shares of the revenue from the sale of the output by the joint operations; and

(v) their expenses, including their shares of any expenses incurred jointly.

The Group and the Company account for the assets, liabilities, revenues and expenses relating to its interest in joint operations in accordance with the MFRSs applicable to the particular assets, liabilities, revenues and expenses.

Profits and losses resulting from transactions between the Group and its joint operation are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint operation.

### 2.8 Concession development expenditure

**(a) Expressway development expenditure**

Expressway development expenditure ("EDE") comprises development and upgrading expenditure (including interest charges relating to financing of the development of the expressway) incurred in connection with the concession. EDE is measured on initial recognition at cost. Following initial recognition, EDE is carried at cost less accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.13.

Assets under construction included in EDE are not depreciated as these assets are not yet available for use.

EDE is amortised upon commencement of tolling operations over the concession period based on the following formula:

Amortisation of EDE is included in profit or loss.

$$\left( \frac{\text{Actual Traffic Volume For The Year}}{\text{Actual Traffic Volume For The Year Plus Projected Traffic Volume To Completion}} \times \text{Opening Net Carrying Amount Of EDE Plus Current Year Additions} \right)$$

Periodic traffic studies are performed by an independent traffic consultant in order to support the projected toll revenue for the remaining concession period. The projection was based on the latest available traffic study.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.8 Concession development expenditure (cont'd.)

**(b) Water development expenditure**

The water development expenditure ("WDE") is attributable to Gamuda Water Sdn. Bhd. which have been granted the rights to manage, operate and maintain Sungai Selangor Water Treatment Plant Phase 3 ("SSP 3") for a period of 8 years from 2019 to 2027. WDE comprises of rehabilitation and restoration capital expenditure in connection with the operations and maintenance of water concession. Following initial recognition, WDE is carried at cost less accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.13.

WDE are amortised upon commencement of the operation of SSP 3 over the concession period of 8 years.

### 2.9 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group and the Company depreciate them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction in progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, at the following annual rates:

| | |
|---|---|
| Buildings | 2% – 13% |
| Plant and machinery | 5% – 20% |
| Office equipment, furniture and fittings | 10% – 33% |
| Motor vehicles | 12% – 25% |

The Group and the Company review the estimated residual values and expected useful lives of assets at least annually. In particular, the Group and the Company consider the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.13.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.10 Leases

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statement of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group and the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset ranging from 2 to 99 years. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.13.

**(ii) Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's and the Company's lease liabilities are included in Note 31.

**(iii) Short term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.10 Leases (cont'd.)

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. The accounting policy for rental income is set out in Note 2.19(b)(ii).

### 2.11 Service concession arrangements

The Group recognises revenue from the construction and upgrading of the infrastructure in accordance with its accounting policy for construction contracts set out in Note 2.12. Where the Group performs more than one service under the arrangement, consideration received or receivable is allocated to the components by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Group recognises the consideration receivable as concession development expenditure to the extent that it receives a right to charge users of the public service. Concession development expenditure are accounted for in accordance with the accounting policy set out in Note 2.8.

Subsequent costs and expenditures related to infrastructure and equipment arising from the Group's commitments to the concession contracts or that increase future revenue are recognised as additions to the intangible asset and are stated at cost. Capital expenditures necessary to support the Group's operation as a whole are recognised as property, plant and equipment, and accounted for in accordance with the policy stated under property, plant and equipment in Note 2.9. When the Group has contractual obligations that it must fulfil as a condition of its license to: a) maintain the infrastructure to a specified standard or, b) to restore the infrastructure when the infrastructure has deteriorated below a specified condition, it recognises and measures these contractual obligations in accordance with the accounting policy for provisions in Note 2.16. Repairs and maintenance and other expenses that are routine in nature are expensed to profit or loss as incurred.

### 2.12 Construction contracts

Where the financial outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

Where the financial outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is classified as contract assets within trade receivables. When progress billings exceed costs incurred on construction contracts plus recognised profits (less recognised losses), the balance is classified as contract liabilities within trade payables.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.13 Impairment of non-financial assets

The Group assesses, the carrying amounts of the Group's non-financial assets, other than land held for property development, property development costs, deferred tax assets and inventories, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 July and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

### 2.14 Inventories

Inventories are stated at the lower of cost or net realisable value.

**(a) Land held for property development**

Land held for property development (classified within non-current assets) comprise land banks which are in the process of being prepared for development but have not been launched, or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.14 Inventories (cont'd.)

**(b) Property development cost**

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Where the financial outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that are likely to be recoverable. Property development costs are recognised as expenses in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within trade payables.

**(c) Completed properties**

Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

**(d) Raw materials, panels and work in progress**

The cost of raw materials includes the cost of purchase and other direct charges. The costs of panels and work-in-progress comprise of raw materials, direct labour, other direct costs and appropriate proportions of production overheads. Cost of inventories are accounted for using the weighted average cost method.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.15 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at costs less any accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction in progress included in investment properties are not depreciated as these assets are not yet available for use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, at the following annual rates:

| | |
|---|---|
| Leasehold land | 2% – 13% |
| Buildings | 2% – 13% |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.15 Investment properties (cont'd.)

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at cost.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use, as set out in Note 2.9.

### 2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.17 Taxes

#### (a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.17 Taxes (cont'd.)

#### (b) Deferred tax (cont'd.)

Deferred tax liabilities are recognised for all temporary differences, except: (cont'd.)

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### (c) Sales and Service Tax ("SST")

The net amount of SST being the difference between output and input of SST, payable to or receivable from the respective authorities at the reporting date, is included in other payables or other receivables in the statements of financial position.

Revenue is recognised net of SST charged to customers. Expenses and assets are recognised inclusive of SST. The amount payable to taxation authority is included as payables in the statement of financial position.

The effective date for SST in Malaysia is on 1 September 2018. Prior to this date, Malaysia was under the Goods and Services Tax ("GST") regime.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.18 Employee benefits

#### (a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

#### (b) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund ("EPF") in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### (c) Defined benefit plans

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise service costs, net interest on the net defined benefit liability or asset and remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The amount recognised in the consolidated statements of financial position represents the present value of the defined benefit obligations adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of any unrecognised actuarial losses and past service costs, and the present value of any economic benefits in the form of refunds or reductions in future contributions to the plan.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.18 Employee benefits (cont'd.)

**(d) Share based compensation**

The Gamuda Berhad Employees' Share Option Scheme ("ESOS"), an equity-settled, share based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share options reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each reporting date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share capital, or until the option expires, upon which it will be transferred directly to retained profits.

### 2.19 Revenue from contracts with customers and other income recognition

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Other income is recognised to the extent that they are probable that the economic benefits associated with the transaction will flow to the Group and the other income can be reliably measured. Revenue and other income are measured at the fair value of consideration received or receivable.

**(a) Revenue recognition from contracts with customers**

The following specific recognition criteria must also be met before revenue and other income are recognised:

***(i) Engineering and construction contracts***

Revenue from engineering and construction contracts is accounted for by the stage of completion method as described in Note 2.12.

***(ii) Property development***

Property development contracts with customers may include multiple promises to customers and are accounted for as separate performance obligations. Transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost-plus margin.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.19 Revenue from contracts with customers and other income recognition (cont'd.)

#### (a) Revenue recognition from contracts with customers (cont'd.)

The following specific recognition criteria must also be met before revenue and other income are recognised: (cont'd.)

***(ii) Property development (cont'd.)***

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payments.

If control of the asset is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, the Group recognises the revenue at a point of time to the sale of completed properties and properties under contract of sale when the control of the properties has been transferred to the customers and it is probable that the Group will collect the consideration it is entitled to.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers.

***(iii) Sale of goods and services***

Revenue relating to the sale of goods is recognised net of discounts upon the transfer of risks and rewards. Revenue from services rendered is recognised net of service taxes and discount as and when the services are performed. Sale of goods and services of the Group includes trading of construction materials, quarry sales and sales of manufactured products.

***(iv) Supply of water and related services***

Revenue from management, operation and maintenance of dams and water treatment facilities are recognised net of discounts as and when the services are performed.

***(v) Toll concession revenue***

Toll revenue relates to toll collection. Toll collection is accounted for as and when toll is chargeable for the usage of the Highway.

***(vi) Dividend income***

Dividend income is recognised when the right to receive payment is established.

***(vii) Club membership entrance fees and annual fees***

Membership entrance fees from members represent 20% of the membership fees whereas membership annual fees represent the remaining 80% of the membership fees. The membership entrance fees are received upfront and recognised on a straight-line basis over the tenure of the membership.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.19 Revenue from contracts with customers and other income recognition (cont'd.)

**(b) Other income**

***(i) Interest income***

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

***(ii) Rental income***

Rental income is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

### 2.20 Foreign currencies

**(a) Functional and presentation currency**

The Group's consolidated financial statements are presented in Ringgit Malaysia ("RM"), alternatively referred to as the Malaysian Ringgit ("MYR"), which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

**(b) Transactions and balances**

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

**(c) Group companies**

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.20 Foreign currencies (cont'd.)

#### (c) Group companies (cont'd.)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

The principal exchange rates used for every unit of foreign currency ruling at the reporting date are as follows:

| | 2023<br>RM | 2022<br>RM |
|---|---|---|
| United States Dollar | **4.505** | 4.441 |
| Indian Rupee | **0.055** | 0.056 |
| New Taiwan Dollar | **0.143** | 0.149 |
| Qatari Riyal | **1.258** | 1.207 |
| Bahraini Dinar | **12.167** | 11.780 |
| 100 Vietnam Dong | **0.019** | 0.019 |
| Australian Dollar | **3.018** | 3.047 |
| Singapore Dollar | **3.388** | 3.183 |
| Pound Sterling | **5.792** | 5.327 |

### 2.21 Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.21 Financial assets (cont'd.)

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Financial assets at fair value through profit or loss.

**Financial assets at amortised cost (debt instruments)**

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and loans to associates included under other non-current financial assets.

**Financial assets at fair value through OCI (debt instruments)**

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.21 Financial assets (cont'd.)

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

– The rights to receive cash flows from the asset have expired; or

– The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

  (a) the Group has transferred substantially all the risks and rewards of the asset, or

  (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.21 Financial assets (cont'd.)

**Derecognition (cont'd.)**

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### 2.22 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.23 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of bank overdrafts as they are considered an integral part of the Group's cash management.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.24 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as liability in the financial year in which the obligation to pay is established.

### 2.25 Financial liabilities

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**(a) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied.

**(b) Other financial liabilities**

The Group's and the Company's other financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

After initial recognition of loans and borrowings, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.25 Financial liabilities (cont'd.)

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.26 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.27 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(a) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(b) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(c) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.27 Fair value measurement (cont'd.)

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Policies and procedures are determined by the Group for both recurring fair value measurement and for non-recurring measurement.

### 2.28 Right-of-use assets – leasehold land

Leasehold land are initially measured at cost. Following initial recognition, leasehold land are measured at cost less accumulated amortisation and any accumulated impairment losses. The leasehold land are amortised over their lease terms.

**Right-of-use assets – quarry rights**

The quarry rights are attributable to G.B. Kuari Sdn. Bhd. which have been granted the rights to operate quarry for a period of 30 years ending Year 2050. The quarry rights are amortised over the lease term.

### 2.29 Contract assets and contract liabilities

A contract asset is the right of the Group to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9.

A contract liability is the obligation of the Group to transfer goods and services to a customer for which it has received consideration or an amount of consideration is due from the customer. If a customer pays consideration, such as advance payment and down payments, or the Group has a right to an amount of consideration that is unconditional before it transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss.

### 2.30 Financial guarantee contracts

A financial guarantee contract is a contract that requires the guarantor to make specified payments to reimburse the holder of a guarantee for a loss it incurs because a specified guaranteed debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contract is recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk free rate of interest.

At the end of each subsequent reporting period, financial guarantees are measured at the higher of:

(i) the amount of the loss allowance determined in accordance with ECL; and

(ii) the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15, where appropriate.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.31 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

### 2.32 Current and non-current classification

The Group presents assets and liabilities in the statements of financial position based on current and non-current classification.

An asset is classified as current when it is:

(i) expected to be realised or intended to be sold or consumed in normal operating cycle;

(ii) held primarily for the purpose of trading;

(iii) expected to be realised within 12 months after the reporting period; or

(iv) cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) it is expected to be settled in normal operating cycle;

(ii) it is held primarily for the purpose of trading;

(iii) it is due to be settled within 12 months after the reporting period; or

(iv) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

### 2.33 Contract cost assets

**(i) Incremental costs of obtaining a contract**

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained.

**(ii) Costs to fulfil a contract**

The costs incurred in fulfilling a contract with a customer who are not within the scope of other MFRSs such as MFRS 102: *Inventories*, MFRS 116: *Property, Plant and Equipment* and MFRS 138: *Intangible Assets*, are recognised as contract cost assets when all of the following criteria are met:

– costs relate directly to a contract or to an anticipated contract that can be specifically identified;

– the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

– the costs are expected to be recovered.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.33 Contract cost assets (cont'd.)

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: *Accounting Policies, Changes in Accounting Estimate and Errors*.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

– the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less

– the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract cost, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract cost assets in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136: *Impairment of Assets* to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

### 2.34 Non-current assets held for sale/distribution and discontinued operations

The Group and the Company classify non-current assets and disposal groups as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale/distribution are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset ("disposal group"), excluding finance costs and income tax expense.

The criteria for held for sale/distribution classification is regarded as met only when the sale/distribution is highly probable, and the asset or disposal group is available for immediate sale/distribution in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell/distribute will be withdrawn. Management must be committed to the plan to sell/distribute the asset and the sale/distribution is expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale/distribution.

Assets and liabilities classified as held for sale/distribution are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 47. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.35 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

(i) Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

(ii) Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products.

(iii) Fair value measurement. For investment properties and revalued office properties, the Group considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The group believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as tenants' increasing demands for low-emission buildings.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### 3.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following critical judgements which could have a significant effect on the amounts recognised in the financial statements as discussed below:

**Non-consolidation of entities in which the Group holds more than a majority of shareholding interest**

i) Investment in Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. ("SPRINT Holdings")

The Group does not consider that it controls SPRINT Holdings even though the Group holds an effective shareholding interest of 52% in SPRINT Holdings. This is because the Group only holds a direct voting right of 30% in SPRINT Holdings. The remaining 22% of the equity share in SPRINT Holdings is held via another associated company of the Group, Lingkaran Trans Kota Holdings Berhad ("LITRAK Holdings"), vis a vis indirect interest owned by the Group. The Group does not control LITRAK Holdings. As a result, the Group does not hold a majority voting right in SPRINT Holdings and therefore, SPRINT Holdings is considered as an associated company. Hence, the share of results and share of net assets in SPRINT Holdings will be accounted by the Group using the equity method.

## 3.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES (CONT'D.)

### 3.1 Judgements made in applying accounting policies (cont'd.)

In the process of applying the Group's and the Company's accounting policies, management has made the following critical judgements which could have a significant effect on the amounts recognised in the financial statements as discussed below: (cont'd.)

**Non-consolidation of entities in which the Group holds more than a majority of shareholding interest (cont'd.)**

ii) Investment in Venta Belgarum Limited Partnership ("JVLP"), Venta Belgarum G. P. Limited ("JVGP") and Wessex Winchester Propco ("Prop Co")

The Group does not consider that it controls JVLP, JVGP and Prop Co even though Gamuda Land (Labuan) Limited ("GLL") owns 75% direct interest in JVLP, JVGP and Prop Co on the following basis:

- The Partnership Business Plan ("PBP") and any updates to the PBP (which stipulates the relevant activities) are part of Reserved Matters that requires unanimous consent from both shareholders; and
- Distribution of profits which is also a Reserved Matters requires unanimous consent from both shareholders.

The joint arrangement is a joint venture to the Group given that this joint arrangement gives the respective shareholders the rights to net assets of Prop Co via JVGP and JVLP. Hence, the share of results and share of net assets in Prop Co will be accounted by the Group using the equity method.

iii) Investment in Neda Pekan Sdn Bhd ("Neda Pekan")

The Group does not consider that it controls Neda Pekan even though the Group holds an effective shareholding interest of 56.4% because the Group only holds a direct voting right of 49% in Neda Pekan. The remaining 7.4% of the equity share in Neda Pekan is held via another associated company of the Group, ERS Energy Sdn. Bhd. Hence, the share of results in Neda Pekan will be accounted by the Group using the equity method.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**(a) Revenue and cost of sales from property development activities and construction contracts**

The Group and the Company recognise contract or property development revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that contract or property development costs incurred for work performed to date bear to the estimated total contract or property development costs.

Significant estimation is involved in determining the stage of completion, the extent of the contract or property development costs incurred, the estimated total contract or property development revenue and costs, as well as the recoverability of the contracts or development projects. In making the estimation, the Group and the Company evaluate based on past experiences and by relying on the work of specialists.

Where the total actual revenue and cost incurred are different from the total estimated revenue and cost incurred, such differences will impact the contract profit or losses recognised.

The carrying amount of the Group's property development costs at the reporting date is disclosed in Note 13(b).

The carrying amount of the Group's and the Company's contract assets/(liabilities) for construction contracts at the reporting date is disclosed in Note 22.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

### 3.2 Key sources of estimation uncertainty (cont'd.)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below: (cont'd.)

**(b) Income tax**

Significant judgement and estimates are used in arriving at taxable profits for the year and for prior years, including assessing the deductibility of expense items for tax purposes. Management are guided by tax laws/cases on such instances. Management believes that all deductions claimed, in arriving at taxable profits for current and prior years, are appropriate and justifiable.

**(c) Deferred tax assets**

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of recognised and unrecognised tax losses, capital allowances and other deductible temporary differences of the Group and of the Company are as disclosed in Note 32.

**(d) Provision for affordable housing**

Provision for affordable housing is recognised for anticipated losses to be incurred for the development of low cost housing under the requirements of the local Government attributable to a premium housing project. The Group is of the view that the expected costs should be accrued progressively as and when the premium housing is constructed. The provision for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis. This provision is capitalised in the form of common costs for development of premium housing based on the following conditions:

- The master and building plans is approved;
- The developer commenced development; and
- Sales of the affordable housing are controlled, whereby eligibility of buyers is dictated by the authority and the developer has no ability to impose selling price higher than what the authority dictates.

In determining the provision for affordable housing, estimates and assumptions are made by the Group on the structure and construction costs in constructing the affordable housing. In making those judgements, the Group evaluates the provisions based on past experience.

The carrying amount of the Group's provision for affordable housing as at reporting date is disclosed in Note 37(b).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

### 3.2 Key sources of estimation uncertainty (cont'd.)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below: (cont'd.)

**(e) Impairment of investments in subsidiaries, associated companies and joint ventures**

The Group and the Company assess at each reporting date whether there are indicators of impairment for its investments in subsidiaries, associated companies and joint ventures. The recoverable amounts are determined based on fair value less costs of disposal and value in use calculations.

For recoverable amounts determined based on value in use calculation, significant judgement is required in the estimation of the present value of future cash flows generated by the cash-generating units, which involves uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Further information on impairment assessments performed during the year are as disclosed in Note 17(c).

**(f) Impairment assessment on property, plant and equipment ("PPE")**

The Group and the Company assess whether there are any indicators of impairment for all non-financial assets at each reporting date. The recoverable amounts are determined based on the higher of value in use and fair value less costs of disposal.

Estimating the recoverable amount by using value in use involves estimating the future cash inflows and outflows that will be derived from these assets and discounting them at an appropriate rate.

For recoverable amounts determined based on value in use calculation, significant judgement is required in the estimation of the present value of future cash flows generated by the cash-generating units, which involves uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates as disclosed in Note 12(b).

**(g) Net realisable value of completed property development units classified as inventories**

Inventories held for sale are stated at the lower of cost or net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices.

Inventories held for sale are reviewed on a regular basis and the Group will make an allowance for impairment primarily based on historical trends and management estimates of expected and future product demand and related pricing.

Demand and pricing levels could change from time to time. If such factors result in an adverse effect on the Group's products, the Group provides additional allowances for slow moving inventories.

The carrying amount of the Group's completed property units as at reporting date is disclosed in Note 13(c).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 4. REVENUE

Revenue of the Group and of the Company consists of the following:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations** | | | | |
| Engineering and construction contracts | **5,172,401** | 1,975,878 | **3,342,424** | 1,318,895 |
| Sales of development properties | **2,620,978** | 2,528,106 | **–** | – |
| Trading of construction materials | **82,844** | 61,814 | **–** | – |
| Sales of manufactured products | **20,007** | 12,725 | **–** | – |
| Quarry sales | **26,306** | 61,123 | **–** | – |
| Supply of water and related services | **181,125** | 179,663 | **–** | – |
| Dividend income from subsidiaries | **–** | – | **524,454** | 139,170 |
| Dividend income from associated companies | **–** | – | **1,187,887** | 57,514 |
| Dividend income from joint ventures (Note 19(d)) | **–** | – | **105,000** | 423,000 |
| Others | **116,765** | 82,771 | **–** | – |
| | **8,220,426** | 4,902,080 | **5,159,765** | 1,938,579 |
| **Discontinued operations** | | | | |
| Toll concession revenue (Note 47) | **47,693** | 241,802 | **–** | – |
| | **47,693** | 241,802 | **–** | – |
| **Total** | **8,268,119** | 5,143,882 | **5,159,765** | 1,938,579 |
| Timing of revenue recognition: | | | | |
| **Continuing operations** | | | | |
| – At a point in time | **1,032,070** | 780,805 | **1,817,341** | 619,688 |
| – Over time | **7,188,356** | 4,121,275 | **3,342,424** | 1,318,891 |
| **Discontinued operations** | | | | |
| – At a point in time | **47,693** | 241,802 | **–** | – |
| **Total** | **8,268,119** | 5,143,882 | **5,159,765** | 1,938,579 |

Supplementary information on revenue of the Group inclusive of the Group's share of revenue of joint ventures are as follows:

| | **2023 RM'000** | **2022 RM'000** |
|---|---|---|
| Revenue of the Group | **8,268,119** | 5,143,882 |
| Share of revenue of joint ventures: | | |
| – Engineering and construction contracts | **693,093** | 1,122,688 |
| – Property development and club operations | **114,551** | 155,161 |
| – Expressway concessions | **2,192** | 12,776 |
| | **9,077,955** | 6,434,507 |
| Analysed as: | | |
| Continuing operations | **9,028,070** | 6,179,929 |
| Discontinued operations | **49,885** | 254,578 |
| | **9,077,955** | 6,434,507 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 5. STAFF COSTS

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations** | | | | |
| Wages and salaries: | **456,088** | 288,065 | **210,477** | 109,503 |
| – Company | **192,772** | 70,290 | **192,772** | 70,290 |
| – Joint operations | **17,705** | 39,213 | **17,705** | 39,213 |
| – Subsidiaries | **245,611** | 178,562 | **–** | – |
| Bonus | **64,690** | 27,706 | **18,843** | 8,588 |
| Directors' remuneration (Note 6) | **18,344** | 11,066 | **17,498** | 10,430 |
| Short term accumulating compensated absences | **318** | 1,107 | **(184)** | 186 |
| Defined contribution plans | **50,719** | 30,309 | **22,442** | 9,159 |
| Provision for retirement benefit obligations (Note 29) | **5,334** | 5,509 | **368** | 646 |
| Share options granted under ESOS (Note 7) | **62,773** | 15,340 | **62,773** | 15,340 |
| Social security costs | **5,032** | 3,428 | **164** | 133 |
| Other staff related expenses | **65,136** | 49,014 | **18,038** | 16,402 |
| | **728,434** | 431,544 | **350,419** | 170,387 |
| Less: Amount capitalised in qualifying assets: | | | | |
| – Property development costs (Note 13(b)) | **(47,648)** | (35,286) | **–** | – |
| – Costs of contract assets from construction (Note 22(a)) | **(200,466)** | (119,795) | **(142,021)** | (67,519) |
| | **480,320** | 276,463 | **208,398** | 102,868 |
| **Discontinued operations** | | | | |
| Wages and salaries and other staff related expenses | **2,659** | 14,779 | **–** | – |
| Less: Amount classified as highway maintenance and toll operations | **(2,032)** | (10,495) | **–** | – |
| | **627** | 4,284 | **–** | – |
| **Total** | **480,947** | 280,747 | **208,398** | 102,868 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 6. DIRECTORS' REMUNERATION

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Directors** | | | | |
| Executive: | | | | |
| Salaries, bonus and EPF | **12,558** | 8,171 | **11,948** | 7,731 |
| Defined contribution plans | **1,873** | 1,149 | **1,782** | 1,083 |
| Share options granted under ESOS (Note 7) | **3,654** | 1,492 | **3,654** | 1,492 |
| Other emoluments | | | | |
| – Allowances | **259** | 254 | **114** | 124 |
| – Benefits-in-kind | **1,038** | 544 | **932** | 527 |
| | **19,382** | 11,610 | **18,430** | 10,957 |
| Non-executive: | | | | |
| Fees | **909** | 786 | **909** | 786 |
| Other emoluments | | | | |
| – Allowances | **197** | 195 | **197** | 195 |
| – Benefits-in-kind | **44** | 27 | **44** | 27 |
| | **1,150** | 1,008 | **1,150** | 1,008 |
| Total | **20,532** | 12,618 | **19,580** | 11,965 |
| **Analysis excluding benefits-in-kind:** | | | | |
| Total executive directors' remuneration excluding benefits-in-kind (Note 5) | **18,344** | 11,066 | **17,498** | 10,430 |
| Total non-executive directors' remuneration excluding benefits-in-kind (Note 7) | **1,106** | 981 | **1,106** | 981 |
| **Total directors' remuneration excluding benefits-in-kind** | **19,450** | 12,047 | **18,604** | 11,411 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 6. DIRECTORS' REMUNERATION (CONT'D.)

The details of the remuneration paid by the Group and the Company excluding share options granted under ESOS to each director who served during the financial years ended 31 July 2023 and 31 July 2022 are as follows:

| | Salaries, bonus and EPF RM'000 | Fees RM'000 | Other emoluments* RM'000 | Total RM'000 |
|---|---|---|---|---|
| **2023** | | | | |
| **Directors** | | | | |
| Executive: | | | | |
| Y Bhg Dato' Lin Yun Ling | **5,122** | **–** | **531** | **5,653** |
| Y Bhg Dato' Ir. Ha Tiing Tai | **2,946** | **–** | **281** | **3,227** |
| Encik Mohammed Rashdan bin Mohd Yusof (resigned w.e.f. 25.04.2023) | **5,661** | **–** | **234** | **5,895** |
| Mr. Justin Chin Jing Ho | **702** | **–** | **251** | **953** |
| | **14,431** | **–** | **1,297** | **15,728** |
| Non-executive: | | | | |
| Y Bhg Dato' Mohammed bin Haji Che Hussein (retired w.e.f. 08.12.2022) | **–** | **86** | **89** | **175** |
| YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah | **–** | **160** | **18** | **178** |
| Y Bhg Tan Sri Dato' Setia Haji Ambrin bin Buang | **–** | **202** | **72** | **274** |
| Puan Nazli binti Mohd Khir Johari | **–** | **192** | **26** | **218** |
| Ms. Chan Wai Yen | **–** | **175** | **24** | **199** |
| Ms Chia Aun Ling (appointed w.e.f. 01.02.2023) | **–** | **94** | **12** | **106** |
| | **–** | **909** | **241** | **1,150** |
| **2022** | | | | |
| **Directors** | | | | |
| Executive: | | | | |
| Y Bhg Dato' Lin Yun Ling | 4,098 | – | 293 | 4,391 |
| Y Bhg Dato' Ir. Ha Tiing Tai | 2,357 | – | 177 | 2,534 |
| Encik Mohammed Rashdan bin Mohd Yusof | 2,359 | – | 134 | 2,493 |
| Y Bhg Dato' Ubull a/l Din Om (resigned w.e.f. 18.10.2021) | 141 | – | 11 | 152 |
| Mr. Justin Chin Jing Ho (appointed w.e.f. 18.10.2021) | 365 | – | 183 | 548 |
| | 9,320 | – | 798 | 10,118 |
| Non-executive: | | | | |
| Y Bhg Dato' Mohammed bin Haji Che Hussein | – | 210 | 132 | 342 |
| YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah | – | 130 | 18 | 148 |
| Y Bhg Tan Sri Dato' Setia Haji Ambrin bin Buang | – | 153 | 24 | 177 |
| YM Tunku Afwida binti Tunku A.Malek (retired w.e.f. 08.12.2021) | – | 58 | 12 | 70 |
| Puan Nazli binti Mohd Khir Johari | – | 160 | 30 | 190 |
| Ms. Chan Wai Yen (appointed w.e.f. 01.01.2022) | – | 75 | 6 | 81 |
| | – | 786 | 222 | 1,008 |

** Included in other emoluments are allowances and benefits-in-kind.*

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 7. PROFIT FROM OPERATIONS

The following items have been included in arriving at profit from operations:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations** | | | | |
| Amortisation: | | | | |
| – Concession development expenditure (Note 16(b)) | **25,315** | 23,555 | **–** | – |
| Auditors' remuneration: | | | | |
| – Statutory audits: | | | | |
| – Group's auditors | | | | |
| – Ernst & Young PLT | **1,239** | 882 | **450** | 150 |
| – Oversea's affiliates | **2,103** | 999 | **997** | 489 |
| – Other auditors | **245** | 160 | **25** | 93 |
| – Non-audit services | | | | |
| – Group's auditors | **206** | 363 | **71** | 176 |
| – Oversea's affiliates | **10,809** | 280 | **14** | 53 |
| Property, plant and equipment | | | | |
| – Depreciation (Note 12) | **68,339** | 62,972 | **7,605** | 5,566 |
| – Write-off (Note 12) | **1,605** | 422 | **–** | – |
| – Net gain on disposal | **(1,078)** | (3,391) | **(2)** | (7) |
| Investment properties: | | | | |
| – Depreciation (Note 14) | **18,918** | 16,742 | **22** | 24 |
| – Net gain on disposal | **–** | (3,563) | **–** | – |
| Right-of-use assets (Note 15): | | | | |
| – Depreciation | **7,673** | 8,271 | **1,708** | 712 |
| Net gain on capital repayment from an associate company | **–** | – | **(2,910)** | – |
| Non-executive directors' remuneration (Note 6) | **1,106** | 981 | **1,106** | 981 |
| Share options granted under ESOS | | | | |
| – employees (Note 5) | **62,773** | 15,340 | **62,773** | 15,340 |
| – directors (Note 6) | **3,654** | 1,492 | **3,654** | 1,492 |
| Net provision for liabilities (Note 37) | **22,614** | 1,400 | **17,090** | – |
| Expenses relating to leases (Note 31): | | | | |
| – Short-term leases | **8,709** | 7,466 | **1,247** | 1,681 |
| – Low value assets | **852** | 203 | **37** | 7 |
| (Gain)/loss of foreign exchange: | | | | |
| – Realised | **(8,605)** | (1,027) | **(10,044)** | 11,636 |
| – Unrealised | **(8,938)** | 578 | **(11,415)** | (12,012) |
| Rental income in respect of investment properties | **(33,360)** | (24,639) | **(367)** | (451) |
| Other rental income: | | | | |
| – Premises | **(5,324)** | (3,350) | **(5,549)** | (5,004) |
| – Others | **(213)** | (338) | **(372)** | (372) |
| Impairment losses of investments in joint venture (Note 19(b)) | **–** | – | **–** | 49,500 |
| Share of profits of associated companies | **(6,311)** | (6,008) | **–** | – |
| Share of profits of joint ventures | **(227,133)** | (343,825) | **–** | – |
| Fair value loss/(gain) on CCIRS loan (Note 35) | **15,392** | (16,418) | **–** | – |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 7. PROFIT FROM OPERATIONS (CONT'D.)

The following items have been included in arriving at profit from operations: (cont'd.)

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations (cont'd.)** | | | | |
| Distribution from investment securities: | | | | |
| – Islamic | **(18,718)** | (6,789) | **(18,212)** | (5,575) |
| – Non-Islamic | **(5,078)** | (12,142) | **(3,514)** | (8,757) |
| Fair value gain on investment securities | **(7,928)** | (1,300) | **(7,928)** | (1,300) |
| Profit rate from Islamic fixed deposits | **(19,658)** | (7,289) | **(2,038)** | (330) |
| Interest income arising from: | | | | |
| – Non-Islamic fixed deposits | **(101,781)** | (82,990) | **(29,200)** | (1,433) |
| – Significant financing component (Note 22(b)) | **(330)** | (190) | **–** | – |
| – Subsidiaries | **–** | – | **(133,590)** | (128,653) |
| Unwinding of discount – notional interest income on non-current: | | | | |
| – trade receivables | **(1,932)** | (5,609) | **(408)** | (1,718) |
| – amounts due from joint ventures | **–** | (3,518) | **–** | – |
| – amounts due to subsidiaries | **–** | – | **(640)** | (1,213) |
| Gain on deemed disposal of interest in an associated company | **(3,457)** | (10,196) | **–** | – |
| **Discontinued operations** | | | | |
| Amortisation: | | | | |
| – Concession development expenditure (Note 16(b)) | **–** | 128,835 | **–** | – |
| Auditors' remuneration: | | | | |
| – Statutory audits: | | | | |
| – Group's auditors | **–** | 70 | **–** | – |
| Property, plant and equipment | | | | |
| – Depreciation (Note 12) | **–** | 481 | **–** | – |
| – Net gain on disposal | **–** | (8) | **–** | – |
| Net provision for liabilities (Note 37) | **–** | 5,921 | **–** | – |
| Other rental income: | | | | |
| – Premises | **(14)** | (54) | **–** | – |
| – Others | **(116)** | (431) | **–** | – |
| Distribution from investment securities: | | | | |
| – Islamic | **–** | (87) | **–** | – |
| Profit rate from Islamic fixed deposits | **(1,840)** | (5,004) | **–** | – |
| Gain on disposal of highway concessions (Note 47) | **(1,111,124)** | – | **–** | – |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 8. FINANCE COSTS

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations** | | | | |
| Profit rate on: | | | | |
| – Islamic medium term notes | **114,497** | 124,251 | **59,975** | 79,569 |
| – Commercial papers | **4,679** | 2,285 | **–** | 2,285 |
| Interest expense on: | | | | |
| – Revolving credits | **48,584** | 16,673 | **23,824** | 7,034 |
| – Term loans | **54,839** | 55,694 | **15,111** | 7,924 |
| Lease liabilities (Note 31) | **1,557** | 402 | **916** | 69 |
| Unwinding of discount | | | | |
| – Notional interest expense on non-current payables | **23,458** | 31,539 | **1,300** | 5,306 |
| Others | **–** | 1,363 | **–** | 61 |
| | **247,614** | 232,207 | **101,126** | 102,248 |
| Less: | | | | |
| Interest expense capitalised into: | | | | |
| – Contract assets and liabilities (Note 22(a)) | **(4,957)** | (4,693) | **(622)** | (31) |
| – Property development costs (Note 13(b)) | **(159,579)** | (138,423) | **–** | – |
| – Property, plant and equipment (Note 12) | **(3,098)** | (2,416) | **–** | – |
| – Right-of-use assets (Note 15) | **(1,573)** | – | **–** | – |
| | **78,407** | 86,675 | **100,504** | 102,217 |
| **Discontinued operations** | | | | |
| Profit rate on: | | | | |
| – Islamic medium term notes (Note 47) | **3,065** | 10,118 | **–** | – |
| **Total** | **81,472** | 96,793 | **100,504** | 102,217 |

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation during the financial year was 5.02% (2022: 3.62%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 9. INCOME TAX EXPENSE

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations** | | | | |
| Income tax | | | | |
| Malaysian income tax | **150,222** | 71,893 | **64,832** | 30,004 |
| Foreign income tax | **85,285** | 47,676 | **1,061** | (101) |
| Under provision in prior years | **3,387** | 1,919 | **3,687** | 215 |
| Deferred tax | | | | |
| Relating to origination and reversal of temporary differences (Note 32) | **(20,380)** | 37,657 | **(5,750)** | (242) |
| Under/(over) provision in prior years (Note 32) | **2,538** | (2,760) | **908** | 962 |
| | **221,052** | 156,385 | **64,738** | 30,838 |
| **Discontinued operations** | | | | |
| Income tax | | | | |
| Malaysian income tax (Note 47) | **2,756** | 56,128 | **–** | – |
| Over provision in prior years | **–** | (1,902) | **–** | – |
| Deferred tax | | | | |
| Relating to origination and reversal of temporary differences (Note 32) | **–** | (30,444) | **–** | – |
| Over provision in prior years (Note 32) | **–** | (103) | **–** | – |
| | **2,756** | 23,679 | **–** | – |
| **Total** | **223,808** | 180,064 | **64,738** | 30,838 |

Domestic current income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in respective jurisdictions.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 9. INCOME TAX EXPENSE (CONT'D.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

| Group | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Continuing operations** | | |
| Profit before tax | **1,057,774** | 897,799 |
| Taxation at Malaysian statutory tax rate of 24% (2022: 24%) | **253,866** | 215,472 |
| Effect of Cukai Makmur | **–** | 1,638 |
| Effect of different tax rates in other countries | **(22,812)** | (23,084) |
| Effect of income subject to RPGT | **–** | 213 |
| Income not subject to tax | **(9,270)** | (9,330) |
| Expenses not deductible for tax purposes | **69,700** | 36,735 |
| Effects of tax on share of profits of associated companies and joint ventures | **(54,847)** | (84,645) |
| Utilisation of previously unrecognised deferred tax assets | **(38,844)** | (8,551) |
| Deferred tax assets not recognised | **17,334** | 28,778 |
| Under provision of income tax in prior years | **3,387** | 1,919 |
| Under/(over) provision of deferred tax in prior years | **2,538** | (2,760) |
| Income tax expense for the year | **221,052** | 156,385 |
| **Discontinued operations** | | |
| Profit before tax | **1,171,094** | 118,311 |
| Taxation at Malaysian statutory tax rate of 24% (2022: 24%) | **281,063** | 28,395 |
| Effect of Cukai Makmur | **–** | 8,749 |
| Income not subject to tax | **(273,059)** | (268) |
| Expenses not deductible for tax purposes | **–** | 159 |
| Effects of tax on share of profits of associated companies and joint ventures | **(5,248)** | (11,351) |
| Over provision of income tax in prior years | **–** | (1,902) |
| Over provision of deferred tax in prior years | **–** | (103) |
| Income tax expense for the year | **2,756** | 23,679 |
| **Total income tax expense for the year** | **223,808** | 180,064 |

## 9. INCOME TAX EXPENSE (CONT'D.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

| Company | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Profit before tax | **2,086,115** | 607,844 |
| Taxation at Malaysian statutory tax rate of 24% (2022: 24%) | **500,668** | 145,883 |
| Effect of Cukai Makmur | **–** | 1,638 |
| Effect of different tax rates in other countries | **1,429** | 130 |
| Income not subject to tax | **(443,377)** | (152,888) |
| Expenses not deductible for tax purposes | **17,189** | 26,592 |
| Utilisation of previously unrecognised deferred tax assets | **(25,709)** | – |
| Deferred tax assets not recognised | **9,943** | 8,306 |
| Under provision of income tax in prior years | **3,687** | 215 |
| Under provision of deferred tax in prior years | **908** | 962 |
| Income tax expense for the year | **64,738** | 30,838 |

Tax savings during the financial year arising from:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Utilisation of previously unrecognised tax losses | **(38,844)** | (8,551) | **(25,709)** | – |

Details of deferred tax assets not recognised are stated in Note 32 to the financial statements.

The Finance Act 2021 gazetted on 31 December 2021 enacted the prosperity tax ("Cukai Makmur") on companies that generate chargeable income up to first RM100 million will be taxed at 24% and the remaining chargeable income will be taxed at one-off rate of 33% for year of assessment 2022.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

### (a) Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

| | 2023 | 2022 |
|---|---|---|
| Profit for the year attributable to ordinary equity holders of the Company (RM'000) | | |
| – Continuing operations | **814,725** | 725,794 |
| – Discontinued operations | **1,023,676** | 80,431 |
| | **1,838,401** | 806,225 |
| Weighted average number of ordinary shares in issue ('000) | **2,629,021** | 2,530,363 |
| Basic earnings per share (sen) | | |
| – Continuing operations | **30.99** | 28.68 |
| – Discontinued operations | **38.94** | 3.18 |
| | **69.93** | 31.86 |

### (b) Diluted

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares from exercise of ESOS into ordinary shares. The ESOS are deemed to have been converted into ordinary shares at the date of the issue of the ESOS.

There have been no other transactions involving ordinary shares between the reporting date and the date of authorisation of these financial statements.

| | 2023 | 2022 |
|---|---|---|
| Profit for the year attributable to ordinary equity holders of the Company (RM'000) | | |
| – Continuing operations | **814,725** | 725,794 |
| – Discontinued operations | **1,023,676** | 80,431 |
| | **1,838,401** | 806,225 |
| Weighted average number of ordinary shares in issue ('000) | **2,629,021** | 2,530,363 |
| Adjusted for: | | |
| – Assumed shares issued from the exercise of ESOS ('000) | **62,915** | 20,273 |
| Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000) | **2,691,936** | 2,550,636 |
| Fully diluted earnings per share (sen) | | |
| – Continuing operations | **30.27** | 28.46 |
| – Discontinued operations | **38.03** | 3.15 |
| | **68.30** | 31.61 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 11. DIVIDENDS

| | Group and Company Amount | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| **Dividend in respect of financial year ended 31 July 2023:** | | |
| Special Dividend | | |
| – Special cash dividend of 38 sen per ordinary share has been declared on 22 November 2022 and paid on 23 December 2022 | **993,284** | – |
| First Interim Dividend | | |
| – First interim dividend of 6 sen per ordinary share has been declared on 16 December 2022 and paid on 2 March 2023 | | |
| a) Issuance of new shares in the Company pursuant to the DRP | **123,485** | – |
| b) Cash dividend | **33,734** | – |
| Second Interim Dividend | | |
| – Second interim dividend of 6 sen per ordinary share has been declared on 22 June 2023 and paid on 1 September 2023 | | |
| a) Issuance of new shares in the Company pursuant to the DRP | **123,718** | – |
| b) Cash dividend | **36,087** | – |
| **Dividend in respect of financial year ended 31 July 2022:** | | |
| First Interim Dividend | | |
| – First interim dividend of 6 sen per ordinary share was declared on 21 December 2021 and paid on 8 March 2022 | | |
| a) Issuance of new shares in the Company pursuant to the DRP | **–** | 102,218 |
| b) Cash dividend | **–** | 48,594 |
| Second Interim Dividend | | |
| – Second interim dividend of 6 sen per ordinary share was declared on 29 June 2022 and paid on 2 September 2022 | | |
| a) Issuance of new shares in the Company pursuant to the DRP | **–** | 119,586 |
| b) Cash dividend | **–** | 33,650 |
| | **1,310,308** | 304,048 |
| Net dividends per ordinary share (sen) | **50.0** | 12.0 |

On 22 November 2022, the Board of Directors declared a special cash dividend of 38 sen per ordinary share amounting to RM993,284,000 and paid on 23 December 2022.

On 16 December 2022, the Board of Directors declared a single tier interim dividend of 6 sen per ordinary share, consists of 79% electable portion reinvested into Gamuda New Share at RM3.45 per ordinary share amounted to RM123,485,139; and 21% cash portion of 6 sen per ordinary share amounted to RM33,733,859.

On 22 June 2023, the Board of Directors declared a single tier interim dividend of 6 sen per ordinary share, consists of 77% electable portion reinvested into Gamuda New Share at RM3.97 per ordinary share amounted to RM123,717,674; and 23% cash portion of 6 sen per ordinary share amounted to RM36,087,138.

Total dividend of 50 sen per ordinary share comprising normal dividend of 12 sen and special dividend of 38 sen were declared in financial year ended 31 July 2023. In respect of the preceding financial year, a total interim dividend of 12 sen per ordinary share was declared.

The directors do not recommend the payment of any final dividend in respect of the current financial year.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 11. DIVIDENDS (CONT'D.)

Subsequent to the financial year end, on 1 September 2023, the Board of Directors paid second interim dividend in respect of the current financial year ended 31 July 2023 of 6 sen per ordinary share, amounting to RM159,804,812. The issuance of new shares in the Company pursuant to DRP, amounting to RM123,717,674 will be accounted for in the statement of changes in equity as a share capital in the next financial year ending 31 July 2024.

## 12. PROPERTY, PLANT AND EQUIPMENT

| Group | Land and buildings* RM'000 | Other property, plant and equipment** RM'000 | Construction in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cost** | | | | |
| As at 1 August 2022 | **799,195** | **896,704** | **254,222** | **1,950,121** |
| Additions | **14,864** | **290,961** | **218,151** | **523,976** |
| Acquisition through business combination | **292** | **104,623** | **21,187** | **126,102** |
| Reclassification upon completion | **218,776** | **46,837** | **(265,613)** | **–** |
| Disposals | **–** | **(22,452)** | **–** | **(22,452)** |
| Write-off | **(4,484)** | **(3,025)** | **(172)** | **(7,681)** |
| Exchange differences | **(380)** | **(4,912)** | **(2,491)** | **(7,783)** |
| At 31 July 2023 | **1,028,263** | **1,308,736** | **225,284** | **2,562,283** |
| **Accumulated depreciation** | | | | |
| As at 1 August 2022 | **152,530** | **554,009** | **–** | **706,539** |
| Recognised in profit or loss (Note 7) | **27,589** | **40,750** | **–** | **68,339** |
| Capitalised in contract assets from construction (Note 22(a)) | **–** | **16,877** | **–** | **16,877** |
| Disposals | **–** | **(20,338)** | **–** | **(20,338)** |
| Write-off | **(3,928)** | **(2,148)** | **–** | **(6,076)** |
| Exchange differences | **(86)** | **(53)** | **–** | **(139)** |
| At 31 July 2023 | **176,105** | **589,097** | **–** | **765,202** |
| **Accumulated impairment loss** | | | | |
| At 1 August 2022/31 July 2023 | **63,704** | **84,396** | **–** | **148,100** |
| **Net carrying amount** | | | | |
| At 31 July 2023 | **788,454** | **635,243** | **225,284** | **1,648,981** |

Included in the additions to property, plant and equipment are as follows:

| | RM'000 |
|---|---|
| Tunnel boring machine and vessels for reclamation works | 319,967 |
| Office building and theme park equipments | 167,592 |
| Vehicles, office equipment, furniture and fittings | 36,417 |
| | 523,976 |

Write-off of property plant and equipment mainly relates to temporary sales galleries for property development projects no longer in use. In the previous financial year, the write-off of property, plant and equipment mainly relates to renovation cost of office premise no longer in use.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| Group | Land and buildings* RM'000 | Other property, plant and equipment** RM'000 | Construction in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2022** | | | | |
| **Cost** | | | | |
| As at 1 August 2021 | 803,398 | 892,688 | 68,331 | 1,764,417 |
| Additions | 627 | 17,470 | 187,628 | 205,725 |
| Reclassification upon completion | – | 3,106 | (3,106) | – |
| Transfer to assets held for sale | (8,113) | (9,865) | – | (17,978) |
| Disposals | (1,424) | (5,659) | – | (7,083) |
| Write-off | – | (1,711) | – | (1,711) |
| Exchange differences | 4,707 | 675 | 1,369 | 6,751 |
| At 31 July 2022 | 799,195 | 896,704 | 254,222 | 1,950,121 |
| **Accumulated depreciation** | | | | |
| As at 1 August 2021 | 136,381 | 519,249 | – | 655,630 |
| Recognised in profit or loss (Note 7) | 23,198 | 40,255 | – | 63,453 |
| Capitalised in contract assets from construction (Note 22(a)) | – | 9,026 | – | 9,026 |
| Transfer to assets held for sale | (7,829) | (8,526) | – | (16,355) |
| Disposals | (335) | (5,216) | – | (5,551) |
| Write-off | – | (1,289) | – | (1,289) |
| Exchange differences | 1,115 | 510 | – | 1,625 |
| At 31 July 2022 | 152,530 | 554,009 | – | 706,539 |
| **Accumulated impairment loss** | | | | |
| At 1 August 2021/31 July 2022 | 63,704 | 84,396 | – | 148,100 |
| **Net carrying amount** | | | | |
| At 31 July 2022 | 582,961 | 258,299 | 254,222 | 1,095,482 |

Included in the additions to property, plant and equipment are as follows:

| | RM'000 |
|---|---|
| Sales gallery and sports centre | 126,348 |
| Plant and machinery | 61,279 |
| Vehicles, office equipment, furniture and fittings | 18,098 |
| | 205,725 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### * Land and buildings

| Group | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---|---|---|---|
| **At 31 July 2023** | | | |
| **Cost** | | | |
| As at 1 August 2022 | 95,408 | 703,787 | 799,195 |
| Additions | 1,582 | 13,282 | 14,864 |
| Acquisition through business combination | – | 292 | 292 |
| Reclassification upon completion | – | 218,776 | 218,776 |
| Write-offs | – | (4,484) | (4,484) |
| Exchange differences | – | (380) | (380) |
| At 31 July 2023 | 96,990 | 931,273 | 1,028,263 |
| **Accumulated depreciation** | | | |
| As at 1 August 2022 | – | 152,530 | 152,530 |
| Recognised in profit or loss | – | 27,589 | 27,589 |
| Write-offs | – | (3,928) | (3,928) |
| Exchange differences | – | (86) | (86) |
| At 31 July 2023 | – | 176,105 | 176,105 |
| **Accumulated impairment loss** | | | |
| At 1 August 2022/31 July 2023 | – | 63,704 | 63,704 |
| **Net carrying amount** | | | |
| At 31 July 2023 | 96,990 | 691,464 | 788,454 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### * Land and buildings (cont'd.)

| Group | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---|---|---|---|
| **At 31 July 2022** | | | |
| **Cost** | | | |
| As at 1 August 2021 | 97,091 | 706,307 | 803,398 |
| Additions | – | 627 | 627 |
| Transfer to assets held for sale | (1,582) | (6,531) | (8,113) |
| Disposals | (101) | (1,323) | (1,424) |
| Exchange differences | – | 4,707 | 4,707 |
| At 31 July 2022 | 95,408 | 703,787 | 799,195 |
| **Accumulated depreciation** | | | |
| As at 1 August 2021 | – | 136,381 | 136,381 |
| Recognised in profit or loss | – | 23,198 | 23,198 |
| Transfer to assets held for sale | – | (7,829) | (7,829) |
| Disposals | – | (335) | (335) |
| Exchange differences | – | 1,115 | 1,115 |
| At 31 July 2022 | – | 152,530 | 152,530 |
| **Accumulated impairment loss** | | | |
| At 1 August 2021/31 July 2022 | – | 63,704 | 63,704 |
| **Net carrying amount** | | | |
| At 31 July 2022 | 95,408 | 487,553 | 582,961 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### ** Other property, plant and equipment

| Group | Motor vehicles RM'000 | Office equipment, furniture and fittings RM'000 | Plant and machinery RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cost** | | | | |
| At 1 August 2022 | 45,180 | 157,196 | 694,328 | 896,704 |
| Additions | 20,415 | 31,438 | 239,108 | 290,961 |
| Acquisition through business combination | 13,062 | 51 | 91,510 | 104,623 |
| Reclassification upon completion from construction-in-progress | 311 | 10,097 | 36,429 | 46,837 |
| Disposals | (628) | (722) | (21,102) | (22,452) |
| Write-off | (1) | (2,903) | (121) | (3,025) |
| Exchange differences | (641) | (72) | (4,199) | (4,912) |
| At 31 July 2023 | 77,698 | 195,085 | 1,035,953 | 1,308,736 |
| **Accumulated depreciation** | | | | |
| At 1 August 2022 | 33,045 | 121,418 | 399,546 | 554,009 |
| Recognised in profit or loss | 3,031 | 18,213 | 19,506 | 40,750 |
| Capitalised in contract assets from construction | 1,964 | 2,644 | 12,269 | 16,877 |
| Disposals | (579) | (308) | (19,451) | (20,338) |
| Write-off | – | (2,042) | (106) | (2,148) |
| Exchange differences | 3 | (41) | (15) | (53) |
| At 31 July 2023 | 37,464 | 139,884 | 411,749 | 589,097 |
| **Accumulated impairment loss** | | | | |
| At 1 August 2022/31 July 2023 | – | – | 84,396 | 84,396 |
| **Net carrying amount** | | | | |
| At 31 July 2023 | 40,234 | 55,201 | 539,808 | 635,243 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### ** Other property, plant and equipment (cont'd.)

| Group | Motor vehicles RM'000 | Office equipment, furniture and fittings RM'000 | Plant and machinery RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2022** | | | | |
| **Cost** | | | | |
| At 1 August 2021 | 49,567 | 149,887 | 693,234 | 892,688 |
| Additions | 1,798 | 10,326 | 5,346 | 17,470 |
| Reclassification upon completion from construction-in-progress | – | 3,106 | – | 3,106 |
| Transfer to assets held for sale | (5,950) | (3,915) | – | (9,865) |
| Disposals | (246) | (1,170) | (4,243) | (5,659) |
| Write-off | (11) | (1,605) | (95) | (1,711) |
| Exchange differences | 22 | 567 | 86 | 675 |
| At 31 July 2022 | 45,180 | 157,196 | 694,328 | 896,704 |
| **Accumulated depreciation** | | | | |
| At 1 August 2021 | 34,296 | 109,246 | 375,707 | 519,249 |
| Recognised in profit or loss | 3,193 | 16,363 | 20,699 | 40,255 |
| Capitalised in contract assets from construction | 1,313 | 803 | 6,910 | 9,026 |
| Transfer to assets held for sale | (5,494) | (3,032) | – | (8,526) |
| Disposals | (235) | (1,124) | (3,857) | (5,216) |
| Write-off | (10) | (1,187) | (92) | (1,289) |
| Exchange differences | (18) | 349 | 179 | 510 |
| At 31 July 2022 | 33,045 | 121,418 | 399,546 | 554,009 |
| **Accumulated impairment loss** | | | | |
| At 1 August 2021/31 July 2022 | – | – | 84,396 | 84,396 |
| **Net carrying amount** | | | | |
| At 31 July 2022 | 12,135 | 35,778 | 210,386 | 258,299 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

(a) The Group's depreciation charge is analysed as follows:

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **Recognised in income statement** | | | |
| – Continuing operations | 7 | **68,339** | 62,972 |
| – Discontinued operations | 7 | **–** | 481 |
| | | **68,339** | 63,453 |

(b) As at 31 July 2023, the Group's accumulated impairment losses in respect of its subsidiary, Gamuda Industrial Building System Sdn. Bhd. ("GIBS")'s property, plant and equipment amounted to RM148,100,000 (2022: RM148,100,000).

During the year, the carrying amount of its property, plant and equipment amounted to RM304,184,000 (2022: RM315,843,000) were tested for impairment as GIBS had been recording continued losses. The recoverable amount of the property, plant and equipment were determined based on the higher of value in use or fair value less costs of disposal calculations.

The recoverable amount was determined based on value in use calculation. The cash flow projections were prepared based on the remaining useful life of plant and machinery as at 31 July 2023, which is 16 years (2022: 17 years). The discount rate applied to the cash flow projections is 13.00% (2022: 12.50%) per annum.

**Key assumptions used in value in use calculation**

(i) Sales volume – based on secured projects and approved sales plan.

(ii) Projected margin – projected margin reflects the average historical margin adjusted for projected market and economic conditions and internal resource efficiency.

(iii) Discount rate – discount rate is used to reflect management's estimate of the risks specific to the CGU. In determining appropriate discount rate, consideration has been given to the applicable weighted average cost of capital.

The abovementioned impairment testing did not give rise to additional impairment losses for its property, plant and equipment.

**Sensitivity to changes in key assumptions**

a) Sales volume – A decrease of 5% (2022: 5%) in the projected sales volume would have decreased the value in use by RM15,159,000 (2022: RM17,917,000).

b) Projected margin – A decrease of 1% (2022: 1%) in the projected margin would have decreased the value in use by RM7,855,000 (2022: RM8,752,000).

c) Discount rate – An increase of 0.5% (2022: 0.5%) in the discount rate used would have decreased the value in use by RM8,741,000 (2022: RM6,944,000).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| Company | Land and buildings* RM'000 | Other property, plant and equipment** RM'000 | Construction in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cost** | | | | |
| At 1 August 2022 | **159,478** | **258,963** | **62,563** | **481,004** |
| Additions | **–** | **247,555** | **3,705** | **251,260** |
| Disposal | **–** | **(21)** | **–** | **(21)** |
| Exchange differences | **–** | **(800)** | **(1,557)** | **(2,357)** |
| At 31 July 2023 | **159,478** | **505,697** | **64,711** | **729,886** |
| **Accumulated depreciation** | | | | |
| At 1 August 2022 | **35,779** | **248,627** | **–** | **284,406** |
| Recognised in profit or loss (Note 7) | **3,374** | **4,231** | **–** | **7,605** |
| Capitalised in contract assets from construction (Note 22(a)) | **–** | **12,337** | **–** | **12,337** |
| Disposal | **–** | **(21)** | **–** | **(21)** |
| Exchange differences | **–** | **(17)** | **–** | **(17)** |
| At 31 July 2023 | **39,153** | **265,157** | **–** | **304,310** |
| **Net carrying amount** | | | | |
| At 31 July 2023 | **120,325** | **240,540** | **64,711** | **425,576** |

Included in the additions to property, plant and equipment are as follows:

| | RM'000 |
|---|---|
| Tunnel boring machine | 234,666 |
| Vehicles, office equipment, furniture and fittings | 16,594 |
| | 251,260 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| Company | Land and buildings* RM'000 | Other property, plant and equipment** RM'000 | Construction in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2022** | | | | |
| **Cost** | | | | |
| At 1 August 2021 | 159,478 | 255,036 | – | 414,514 |
| Additions | – | 3,801 | 61,399 | 65,200 |
| Disposals | – | (44) | – | (44) |
| Write-off | – | (4) | – | (4) |
| Exchange differences | – | 174 | 1,164 | 1,338 |
| At 31 July 2022 | 159,478 | 258,963 | 62,563 | 481,004 |
| **Accumulated depreciation** | | | | |
| At 1 August 2021 | 32,407 | 243,184 | – | 275,591 |
| Recognised in profit or loss (Note 7) | 3,372 | 2,194 | – | 5,566 |
| Capitalised in contract assets from construction (Note 22(a)) | – | 3,050 | – | 3,050 |
| Disposals | – | (38) | – | (38) |
| Write-off | – | (4) | – | (4) |
| Exchange differences | – | 241 | – | 241 |
| At 31 July 2022 | 35,779 | 248,627 | – | 284,406 |
| **Net carrying amount** | | | | |
| At 31 July 2022 | 123,699 | 10,336 | 62,563 | 196,598 |

Included in the additions to property, plant and equipment are as follows:

| | RM'000 |
|---|---|
| Tunnel boring machine | 57,552 |
| Office equipment, furniture and fittings and others | 7,648 |
| | 65,200 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### * Land and buildings

| Company | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---|---|---|---|
| **At 31 July 2023** | | | |
| **Cost** | | | |
| At 1 August 2022/31 July 2023 | **659** | **158,819** | **159,478** |
| **Accumulated depreciation** | | | |
| At 1 August 2022 | **–** | **35,779** | **35,779** |
| Recognised in profit or loss | **–** | **3,374** | **3,374** |
| At 31 July 2023 | **–** | **39,153** | **39,153** |
| **Net carrying amount** | | | |
| At 31 July 2023 | **659** | **119,666** | **120,325** |
| **At 31 July 2022** | | | |
| **Cost** | | | |
| At 1 August 2021/31 July 2022 | 659 | 158,819 | 159,478 |
| **Accumulated depreciation** | | | |
| At 1 August 2021 | – | 32,407 | 32,407 |
| Recognised in profit or loss | – | 3,372 | 3,372 |
| At 31 July 2022 | – | 35,779 | 35,779 |
| **Net carrying amount** | | | |
| At 31 July 2022 | 659 | 123,040 | 123,699 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### ** Other property, plant and equipment

| Company | Motor vehicles RM'000 | Office equipment, furniture and fittings RM'000 | Plant and machinery RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cost** | | | | |
| At 1 August 2022 | 909 | 43,777 | 214,277 | 258,963 |
| Additions | 8,688 | 4,169 | 234,698 | 247,555 |
| Disposal | – | (21) | – | (21) |
| Exchange differences | (14) | (13) | (773) | (800) |
| At 31 July 2023 | 9,583 | 47,912 | 448,202 | 505,697 |
| **Accumulated depreciation** | | | | |
| At 1 August 2022 | 800 | 38,003 | 209,824 | 248,627 |
| Recognised in profit or loss | 10 | 3,338 | 883 | 4,231 |
| Capitalised in contract assets from construction | 792 | 2,137 | 9,408 | 12,337 |
| Disposal | – | (21) | – | (21) |
| Exchange differences | (18) | 13 | (12) | (17) |
| At 31 July 2023 | 1,584 | 43,470 | 220,103 | 265,157 |
| **Net carrying amount** | | | | |
| At 31 July 2023 | 7,999 | 4,442 | 228,099 | 240,540 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

### ** Other property, plant and equipment (cont'd.)

| Company | Motor vehicles RM'000 | Office equipment, furniture and fittings RM'000 | Plant and machinery RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2022** | | | | |
| **Cost** | | | | |
| At 1 August 2021 | 851 | 40,069 | 214,116 | 255,036 |
| Additions | 48 | 3,634 | 119 | 3,801 |
| Disposals | – | (44) | – | (44) |
| Write-off | – | (4) | – | (4) |
| Exchange differences | 10 | 122 | 42 | 174 |
| At 31 July 2022 | 909 | 43,777 | 214,277 | 258,963 |
| **Accumulated depreciation** | | | | |
| At 1 August 2021 | 699 | 35,278 | 207,207 | 243,184 |
| Recognised in profit or loss | 18 | 2,176 | – | 2,194 |
| Capitalised in contract assets from construction | 57 | 435 | 2,558 | 3,050 |
| Disposals | – | (38) | – | (38) |
| Write-off | – | (4) | – | (4) |
| Exchange differences | 26 | 156 | 59 | 241 |
| At 31 July 2022 | 800 | 38,003 | 209,824 | 248,627 |
| **Net carrying amount** | | | | |
| At 31 July 2022 | 109 | 5,774 | 4,453 | 10,336 |

Included in property, plant and equipment incurred during the year are:

| | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|
| Finance costs (Note 8) | **3,098** | 2,416 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 13. INVENTORIES

| | Note | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|---|
| **Non-current** | | | |
| Land held for property development | (a) | **3,666,091** | 3,507,908 |
| **Current** | | | |
| Property development cost | (b) | **3,912,891** | 2,011,858 |
| Other inventories | (c) | **717,222** | 655,437 |
| | | **4,630,113** | 2,667,295 |
| Total inventories | | **8,296,204** | 6,175,203 |

### (a) Land held for property development

| Group | Freehold land RM'000 | Leasehold land RM'000 | Development costs RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cost** | | | | |
| At 1 August 2022 | **2,242** | **1,849,939** | **1,655,727** | **3,507,908** |
| Cost incurred during the year | **8,488** | **–** | **401,135** | **409,623** |
| Transfer to property development costs (Note 13(b)) | **(2,868)** | **(166,238)** | **(81,750)** | **(250,856)** |
| Exchange differences | **–** | **(584)** | **–** | **(584)** |
| At 31 July 2023 | **7,862** | **1,683,117** | **1,975,112** | **3,666,091** |
| **At 31 July 2022** | | | | |
| **Cost** | | | | |
| At 1 August 2021 | 5,731 | 1,881,224 | 1,418,128 | 3,305,083 |
| Cost incurred during the year | – | 182,600 | 292,907 | 475,507 |
| Transfer to property development costs (Note 13(b)) | (3,489) | (221,710) | (55,308) | (280,507) |
| Exchange differences | – | 7,825 | – | 7,825 |
| At 31 July 2022 | 2,242 | 1,849,939 | 1,655,727 | 3,507,908 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 13. INVENTORIES (CONT'D.)

### (b) Property development costs

| Group | Freehold land RM'000 | Leasehold land RM'000 | Development costs RM'000 | Total RM'000 |
|---|---|---|---|---|
| **At 31 July 2023** | | | | |
| **Cumulative property development costs** | | | | |
| At 1 August 2022 | **60,374** | **2,388,978** | **5,783,031** | **8,232,383** |
| Costs incurred during the year | **302,353** | **1,744,917** | **1,447,569** | **3,494,839** |
| Transfer from land held for property development (Note 13(a)) | **2,868** | **166,238** | **81,750** | **250,856** |
| Transfer from/(to) investment properties (Note 14) | **–** | **82,853** | **(25,868)** | **56,985** |
| Transfer to right-of-use assets (Note 15) | **–** | **(21,631)** | **(28,043)** | **(49,674)** |
| Reversal of completed projects | **–** | **(109,766)** | **(839,076)** | **(948,842)** |
| Transfer to completed inventories | **(4,638)** | **(23,708)** | **(246,115)** | **(274,461)** |
| Exchange differences | **639** | **2,310** | **1,025** | **3,974** |
| At 31 July 2023 | **361,596** | **4,230,191** | **6,174,273** | **10,766,060** |
| **Cumulative costs recognised in profit or loss** | | | | |
| At 1 August 2022 | **33,362** | **1,407,395** | **4,779,768** | **6,220,525** |
| Recognised during the year | **20,489** | **124,141** | **1,448,031** | **1,592,661** |
| Reversal of completed projects | **–** | **(109,766)** | **(839,076)** | **(948,842)** |
| Exchange differences | **–** | **(2,466)** | **(8,709)** | **(11,175)** |
| At 31 July 2023 | **53,851** | **1,419,304** | **5,380,014** | **6,853,169** |
| **Property development costs at 31 July 2023** | **307,745** | **2,810,887** | **794,259** | **3,912,891** |
| **At 31 July 2022** | | | | |
| **Cumulative property development costs** | | | | |
| At 1 August 2021 | 56,885 | 2,153,276 | 4,588,974 | 6,799,135 |
| Costs incurred during the year | – | 18,145 | 1,244,470 | 1,262,615 |
| Transfer from land held for property development (Note 13(a)) | 3,489 | 221,710 | 55,308 | 280,507 |
| Reversal of completed projects | – | (25,480) | (118,572) | (144,052) |
| Transfer to completed inventories | – | (24,940) | (111,725) | (136,665) |
| Exchange differences | – | 46,267 | 124,576 | 170,843 |
| At 31 July 2022 | 60,374 | 2,388,978 | 5,783,031 | 8,232,383 |
| **Cumulative costs recognised in profit or loss** | | | | |
| At 1 August 2021 | 10,808 | 1,229,117 | 3,499,044 | 4,738,969 |
| Recognised during the year | 22,554 | 173,211 | 1,291,446 | 1,487,211 |
| Reversal of completed projects | – | (25,480) | (118,572) | (144,052) |
| Exchange differences | – | 30,547 | 107,850 | 138,397 |
| At 31 July 2022 | 33,362 | 1,407,395 | 4,779,768 | 6,220,525 |
| **Property development costs at 31 July 2022** | 27,012 | 981,583 | 1,003,263 | 2,011,858 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 13. INVENTORIES (CONT'D.)

### (b) Property development costs (cont'd.)

Included in land held for development and property development costs incurred during the year are:

| | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|
| Staff costs (Note 5) | **47,648** | 35,286 |
| Finance costs (Note 8) | **159,579** | 138,423 |

During the financial year, property development costs, net of RM56,985,000 (2022: Nil) were transferred from investment properties due to change of management's intention.

In previous financial year, freehold land of the Group with a carrying value of RM27,338,000 has been pledged as securities for loan facility as set out in Note 34(c)(i) to the financial statements.

The leasehold lands under development of the Group with a carrying value of RM472,900,000 (2022: RM419,296,000) has been pledged as securities for term loans as disclosed in Note 34(a)(i) and Note 34(a)(ii) to the financial statements.

### (c) Other inventories

| | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|
| **At cost** | | |
| Completed properties – properties held for sale | **677,137** | 630,432 |
| Prefabricated concrete panels | **10,894** | 4,302 |
| Crusher run and aggregates | **11,304** | 9,105 |
| Consumables, spares and materials | **17,887** | 11,598 |
| | **717,222** | 655,437 |

During the financial year, the amount of inventories recognised as an expense by the Group was RM306,068,000 (2022: RM432,160,000).

| | Company 2023 RM'000 | Company 2022 RM'000 |
|---|---|---|
| Consumables and spares | **718** | 661 |

During the financial year, the amount of inventories recognised as an expense by the Company was RM220,000 (2022: RM14,000).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 14. INVESTMENT PROPERTIES

| Group | Freehold land RM'000 | Leasehold land RM'000 | Buildings RM'000 | Construction in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | |
| **Cost** | | | | | |
| At 1 August 2022 | **19,342** | **60,760** | **674,532** | **710** | **755,344** |
| Additions | **–** | **–** | **10,939** | **–** | **10,939** |
| Transfer to property development costs (Note 13(b)) | **–** | **–** | **(56,985)** | **–** | **(56,985)** |
| Reclassification upon completion | **–** | **–** | **710** | **(710)** | **–** |
| Exchange differences | **–** | **(81)** | **4,505** | **–** | **4,424** |
| At 31 July 2023 | **19,342** | **60,679** | **633,701** | **–** | **713,722** |
| **Accumulated depreciation** | | | | | |
| At 1 August 2022 | **–** | **7,535** | **56,315** | **–** | **63,850** |
| Recognised in profit or loss (Note 7) | **–** | **1,413** | **17,505** | **–** | **18,918** |
| Exchange differences | **–** | **(17)** | **(56)** | **–** | **(73)** |
| At 31 July 2023 | **–** | **8,931** | **73,764** | **–** | **82,695** |
| **Net carrying amount** | | | | | |
| At 31 July 2023 | **19,342** | **51,748** | **559,937** | **–** | **631,027** |
| **Fair value** | | | | | |
| At 31 July 2023 | **42,487** | **99,713** | **846,485** | **–** | **988,685** |
| **At 31 July 2022** | | | | | |
| **Cost** | | | | | |
| At 1 August 2021 | 19,342 | 59,676 | 676,138 | 710 | 755,866 |
| Additions | – | – | 2,658 | – | 2,658 |
| Disposals | – | – | (3,332) | – | (3,332) |
| Exchange differences | – | 1,084 | (932) | – | 152 |
| At 31 July 2022 | 19,342 | 60,760 | 674,532 | 710 | 755,344 |
| **Accumulated depreciation** | | | | | |
| At 1 August 2021 | – | 5,907 | 38,435 | – | 44,342 |
| Recognised in profit or loss (Note 7) | – | 1,413 | 15,329 | – | 16,742 |
| Disposals | – | – | (113) | – | (113) |
| Exchange differences | – | 215 | 2,664 | – | 2,879 |
| At 31 July 2022 | – | 7,535 | 56,315 | – | 63,850 |
| **Net carrying amount** | | | | | |
| At 31 July 2022 | 19,342 | 53,225 | 618,217 | 710 | 691,494 |
| **Fair value** | | | | | |
| At 31 July 2022 | 33,408 | 96,109 | 843,185 | 710 | 973,412 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 14. INVESTMENT PROPERTIES (CONT'D.)

| Company | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---|---|---|---|
| **At 31 July 2023** | | | |
| **Cost** | | | |
| At 1 August 2022/31 July 2023 | **5,697** | **7,583** | **13,280** |
| **Accumulated depreciation** | | | |
| At 1 August 2022 | **–** | **3,516** | **3,516** |
| Recognised in profit or loss (Note 7) | **–** | **22** | **22** |
| At 31 July 2023 | **–** | **3,538** | **3,538** |
| **Net carrying amount** | | | |
| At 31 July 2023 | **5,697** | **4,045** | **9,742** |
| **Fair value** | | | |
| At 31 July 2023 | **48,581** | **14,767** | **63,348** |
| **At 31 July 2022** | | | |
| **Cost** | | | |
| At 1 August 2021/31 July 2022 | 5,697 | 7,583 | 13,280 |
| **Accumulated depreciation** | | | |
| At 1 August 2021 | – | 3,492 | 3,492 |
| Recognised in profit or loss (Note 7) | – | 24 | 24 |
| At 31 July 2022 | – | 3,516 | 3,516 |
| **Net carrying amount** | | | |
| At 31 July 2022 | 5,697 | 4,067 | 9,764 |
| **Fair value** | | | |
| At 31 July 2022 | 49,878 | 14,551 | 64,429 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 14. INVESTMENT PROPERTIES (CONT'D.)

The following are recognised in profit or loss in respect of investment properties:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Rental income | **(33,360)** | (24,639) | **(367)** | (451) |
| Direct operating expenses | **21,490** | 13,838 | **71** | 36 |

The fair value of the investment properties are within Level 3 of the fair value hierarchy in accordance with MFRS 13.

Valuation technique used by internal appraisal or valuation performed by independent professional valuers is the market approach or sales comparison approach based on comparable land and buildings in close proximity. The most significant input of this valuation approach is price per square foot. The price per square foot is adjusted for differences in key attributes such as property size, location and directions.

Other details of fair value of investment properties are further disclosed in Note 43 to the financial statements.

## 15. RIGHT-OF-USE ASSETS

The Group and the Company have lease contracts for land, office spaces and office equipments with contract terms ranging from 2 to 99 years and do not contain variable lease payments.

The carrying amounts of right-of-use assets recognised and the movements during the year are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Cost** | | | | |
| At 1 August | **104,210** | 97,364 | **14,893** | 9,862 |
| Additions of leasehold land | **1,573** | 177 | **–** | – |
| Additions of operating lease | **52,227** | 5,963 | **19,165** | 5,007 |
| Transfer from property development costs (Note 13(b)) | **49,674** | – | **–** | – |
| Exchange differences | **(89)** | 706 | **12** | 24 |
| At 31 July | **207,595** | 104,210 | **34,070** | 14,893 |
| **Accumulated depreciation** | | | | |
| At 1 August | **24,891** | 14,687 | **7,324** | 4,666 |
| Recognised in profit or loss (Note 7) | **7,673** | 8,271 | **1,708** | 712 |
| Capitalised in contract assets from construction (Note 22(a)) | **6,622** | 1,930 | **5,595** | 1,930 |
| Exchange differences | **17** | 3 | **33** | 16 |
| At 31 July | **39,203** | 24,891 | **14,660** | 7,324 |
| **Net carrying amount** | | | | |
| At 31 July | **168,392** | 79,319 | **19,410** | 7,569 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 15. RIGHT-OF-USE ASSETS (CONT'D.)

Included in right-of-use assets incurred during the year are:

| | Group | |
|---|---|---|
| | 2023 RM'000 | 2022 RM'000 |
| Finance costs (Note 8) | **1,573** | – |

In the previous financial year, included in the additions of leasehold land is a land premium paid by a subsidiary on the renewal and extension of lease term.

The right-of-use assets consist of the following:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Land | **123,546** | 73,872 | **4,501** | 4,501 |
| Building and office space | **36,517** | 4,073 | **14,489** | 3,018 |
| Plant and machineries | **102** | 113 | **–** | – |
| Motor vehicles | **7,445** | 585 | **–** | – |
| Office equipment | **782** | 676 | **420** | 50 |
| | **168,392** | 79,319 | **19,410** | 7,569 |

## 16. (A) GOODWILL

| Group | Goodwill RM'000 |
|---|---|
| **At 31 July 2023** | |
| At 1 August 2021/31 July 2022/1 August 2022 | **–** |
| Acquisition of business (Note 17(b)) | **520,051** |
| Exchange differences | **(22,468)** |
| At 31 July 2023 | **497,583** |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 16. (B) CONCESSION DEVELOPMENT EXPENDITURE

| Group | Expressway concession RM'000 | Water concession RM'000 | Total RM'000 |
|---|---|---|---|
| **At 31 July 2023** | | | |
| **Cost** | | | |
| At 1 August 2022 | **–** | **201,925** | **201,925** |
| Additions | **–** | **28,417** | **28,417** |
| At 31 July 2023 | **–** | **230,342** | **230,342** |
| **Accumulated amortisation** | | | |
| At 1 August 2022 | **–** | **64,801** | **64,801** |
| Amortisation for the year | **–** | **25,315** | **25,315** |
| At 31 July 2023 | **–** | **90,116** | **90,116** |
| **Net carrying amount** | | | |
| At 31 July 2023 | **–** | **140,226** | **140,226** |
| **At 31 July 2022** | | | |
| **Cost** | | | |
| At 1 August 2021 | 1,858,362 | 192,388 | 2,050,750 |
| Additions | 479 | 9,537 | 10,016 |
| Transfer to assets held for sale | (1,858,841) | – | (1,858,841) |
| At 31 July 2022 | – | 201,925 | 201,925 |
| **Accumulated amortisation** | | | |
| At 1 August 2021 | 781,478 | 41,246 | 822,724 |
| Amortisation for the year | 128,835 | 23,555 | 152,390 |
| Transfer to assets held for sale | (910,313) | – | (910,313) |
| At 31 July 2022 | – | 64,801 | 64,801 |
| **Net carrying amount** | | | |
| At 31 July 2022 | – | 137,124 | 137,124 |

In previous financial year, the expressway development expenditure was pledged as securities for borrowings as disclosed in Note 33(b) to the financial statements.

(a) The Group's amortisation charge is analysed as follows:

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **Recognised in income statement** | | | |
| – Continuing operations | 7 | **25,315** | 23,555 |
| – Discontinued operations | 7 | **–** | 128,835 |
| | | **25,315** | 152,390 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES

| | Company 2023 RM'000 | Company 2022 RM'000 |
|---|---|---|
| Unquoted shares, at cost | **6,359,422** | 4,918,873 |
| Less: Accumulated impairment losses | **(355,215)** | (355,215) |
| | **6,004,207** | 4,563,658 |
| **Classified as assets held for distribution** | | |
| Unquoted shares, at cost | **–** | 385,134 |

**(a) (i) Capital injection in subsidiaries**

The Company has undertaken subscription of new ordinary shares in the following subsidiaries during the financial year:

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Gamuda Holding Pty Ltd | **282,193** | – |
| Gamuda Industrial Building System Sdn. Bhd. | **30,000** | – |
| Gamuda (Luxembourg) S.a.r.l. | **13,747** | 3,245 |
| Gamuda Land (Labuan) Limited | **1** | – |
| Gamuda Land Sdn. Bhd. | **65,974** | 75,000 |
| Gamuda Land (Kemuning) Sdn. Bhd. | **–** | 78,400 |
| Bandar Serai Development Sdn. Bhd. | **–** | 24,660 |
| Gamuda Land (T12) Sdn. Bhd. | **–** | 77,051 |
| | **391,915** | 258,356 |

**(ii) Capitalisation of long-term advances**

During the year, the Company increased its investments in subsidiaries pursuant to the capitalisation of long-term advances due from the following subsidiaries:

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Gamuda Land (HCMC) Sdn. Bhd. | **843,719** | – |
| High Park Development Sdn. Bhd. | **204,915** | – |
| Gamuda Land Vietnam LLC | **–** | 315,567 |
| | **1,048,634** | 315,567 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Changes in group structure

**Current financial year**

(i) Acquisition of Tunnelling Solutions Pty Ltd ("Tunnelling Solutions")

On 29 August 2022, the Company's wholly owned indirect subsidiary in Australia, Gamuda Engineering Pty Ltd acquired Tunnelling Solutions for a cash consideration of AUD15,500,000 (equivalent to RM47,629,000).

The acquired subsidiary has contributed the following results to the Group:

| | RM'000 |
|---|---|
| **Period from 29 August 2022 to 31 July 2023** | |
| Revenue | **76,655** |
| Gross profit | **7,123** |
| Profit for the period | **391** |

During the financial year, the management completed the Purchase Price Allocation ("PPA") exercise in accordance with MFRS 3 Business Combinations to determine the fair values of the assets and liabilities of Tunnelling Solutions.

The fair values of the identifiable assets and liabilities of Tunnelling Solutions as at the date of acquisition are as follows:

| | Fair value RM'000 | Carrying amount RM'000 |
|---|---|---|
| **Assets** | | |
| Property, plant and equipment | **14,204** | **2,250** |
| Receivables | **16,468** | **16,468** |
| Cash and bank balances | **4,317** | **4,317** |
| | **34,989** | **23,035** |
| **Liabilities** | | |
| Payables | **1,077** | **1,077** |
| Deferred tax liabilities | **3,586** | **–** |
| | **4,663** | **1,077** |
| Net identifiable assets | **30,326** | **21,958** |

Based on the PPA exercise prepared by external consultant, no other components of intangible assets were identified. Accordingly, the final goodwill arising on consolidation is as follows:

| | RM'000 |
|---|---|
| Total cost of acquisition | **47,629** |
| Less: Fair value of net identifiable assets | **(30,326)** |
| Goodwill arising on consolidation (Note 16(a)) | **17,303** |

The effect of the acquisition on cash flows of the Group is as follows:

| | RM'000 |
|---|---|
| Total cost of acquisition | **47,629** |
| Less: Deferred consideration | **(13,786)** |
| Consideration settled in cash | **33,843** |
| Less: Cash and cash equivalents of subsidiary acquired | **(4,317)** |
| Net cash outflow on acquisition | **29,526** |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Changes in group structure (cont'd.)

**Current financial year (cont'd.)**

(ii) On 13 October 2022, the disposal of the highway concession was completed. The asset held for distribution amounting to RM385,134,000 was recovered by the Company through dividend income received from the concession holding subsidiary.

Further details are disclosed in Note 42.

(iii) On 5 December 2022, the Company formed AWEC – Gamuda Joint Venture, an unincorporated 60% owned subsidiary in Taiwan upon entering into joint venture agreement with Asia World Engineering & Construction Co. Ltd. to undertake Taoyuan City underground railway project, package CJ18 PingZhen Commuter Station in Taiwan.

(iv) On 15 February 2023, the Company incorporated a wholly owned subsidiary, Gamuda Holding Pty Ltd, to invest in DT Infrastructure Pty Ltd, both of which are incorporated in Australia. The issued and paid up capital of Gamuda Holding Pty Ltd was AUD91,000,000 (equivalent to RM282,193,000), comprising of 91,000,000 ordinary shares.

(v) On 20 February 2023, the Company incorporated Gamuda Land (Labuan) Limited, a wholly owned subsidiary in Labuan, Malaysia under the Labuan Companies Act 1990 with an issued and paid up capital of GBP100 (equivalent to RM547) comprising of 100 ordinary shares.

(vi) Acquisition of Downer Transport Projects ("DTP")

On 20 June 2023, the Company's wholly owned indirect subsidiary in Australia, DT Infrastructure Pty Ltd acquired the Australian transport projects business of Downer EDI Works Pty Ltd and VEC Civil Engineering Pty Ltd (collectively referred to as "Downer") ("Downer Transport Projects or DTP") for an enterprise value of AUD212,000,000 (equivalent to RM669,369,000) excluding adjustment for working capital and taxes.

The acquired projects have contributed the following results to the Group for the financial year ended 31 July 2023:

| | RM'000 |
|---|---|
| **Period from 20 June 2023 to 31 July 2023** | |
| Revenue | **205,417** |
| Gross profit | **15,733** |
| Loss for the period | **(22,518)** |

Acquisition-related costs incurred of AUD6,300,000 (equivalent to RM18,900,000) was recognised within administrative expense in profit or loss.

The accounting for the acquisition of DTP was based on management's provisional fair values of its identifiable assets and liabilities (including any tax related adjustments). In accordance with MFRS 3 Business Combinations, the Company will complete the PPA exercise within 12 months from the date of acquisition.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Changes in group structure (cont'd.)

(vi) Acquisition of Downer Transport Projects ("DTP") (cont'd.)

The provisional fair values of the identifiable assets and liabilities of DTP as at the date of acquisition were:

| | Fair value RM'000 | Carrying amount RM'000 |
|---|---|---|
| **Assets** | | |
| Property, plant and equipment | **111,898** | **111,898** |
| Inventories | **2,684** | **2,684** |
| Receivables | **272,780** | **272,780** |
| Contract assets | **76,743** | **76,743** |
| Cash and cash equivalents | **171,671** | **171,671** |
| | **635,776** | **635,776** |
| **Liabilities** | | |
| Payables | **342,945** | **342,945** |
| Contract liabilities | **16,792** | **16,792** |
| | **359,737** | **359,737** |
| Net identifiable assets | **276,039** | **276,039** |

| | |
|---|---|
| Total cost of acquisition | **778,787** |
| Less: Fair value of net identifiable assets | **(276,039)** |
| Provisional goodwill arising from consolidation (Note 16(a)) | **502,748** |

Total cost of acquisition also includes service tax payable of AUD23,516,000 (equivalent to RM74,251,000) and adjustment for working capital of AUD11,138,000 (equivalent to RM35,167,000).

As at 31 July 2023, the Group recognises provisional goodwill arising from acquisition amounting to RM502,748,000 as the value of other components of intangible assets acquired, if any, has yet to be quantified.

The effect of the acquisition on cash flows of the Group is as follows:

| | RM'000 |
|---|---|
| Total cost of acquisition | **778,787** |
| Less: Deferred consideration | **(15,787)** |
| Consideration settled in cash | **763,000** |
| Less: Cash and cash equivalents of subsidiary acquired | **(171,671)** |
| Net cash outflow on acquisition | **591,329** |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Changes in group structure (cont'd.)

(vii) During the financial year, the following subsidiaries have been formed:

- Silicon Island Development Sdn. Bhd.
- Gamuda Land Nam Viet Investment Company Limited
- Truong Tin Construction and Housing Trading Company Limited
- Tam Luc Real Estate Corporation
- Van Lam Investment Limited Company
- Gamuda Geo Pty Ltd
- Gamuda Wai Fong JV

The details of the investments in subsidiaries are disclosed in Note 17(d).

**Previous financial year**

The Company had converted the advances to Gamuda Land Vietnam LLC amounting to VND1,757,292,292,000 (equivalent to RM315,567,000) for additional ordinary shares in Gamuda Land Vietnam LLC.

### (c) Impairment assessment of investment in subsidiary

As at the reporting date, the cost of investment of Gamuda Industrial Building System Sdn. Bhd. ("GIBS") amounting to RM400,500,000 (2022: RM370,500,000) were tested for impairment as GIBS had been recording continued losses since previous years. The recoverable amount were determined based on the higher of value in use or fair value less costs of disposal calculations.

The recoverable amount was determined based on value in use calculation. The cash flow projections are prepared based on recent financial budgets covering a 16-year period (2022: 17-year period) and applying a terminal growth rate of 2% (2022: 2%) per annum. The discount rate applied to the cash flow projections is 13.0% (2022: 12.5%) per annum.

**Key assumptions used in value in use calculation**

(i) Sales volume – Based on secured projects and approved sales plan.

(ii) Projected margin – Projected margin reflects the average historical margin adjusted for projected market and economic conditions and internal resource efficiency.

(iii) Discount rate – Discount rate is used to reflect management's estimate of the risks specific to the CGU. In determining appropriate discount rate, consideration has been given to the applicable weighted average cost of capital.

The abovementioned impairment testing did not give rise to additional impairment losses of cost of investment.

**Sensitivity to changes in key assumptions**

a) Sales volume – A decrease of 5% (2022: 5%) in the projected sales volume would have decreased the value in use by RM39,595,000 (2022: RM40,618,000).

b) Projected margin – A decrease of 1% (2022: 1%) in the projected margin would have decreased the value in use by RM24,463,000 (2022: RM25,666,000).

c) Discount rate – An increase of 0.5% (2022: 0.5%) in the discount rate used would have decreased the value in use by RM19,831,000 (2022: RM17,367,000).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries

The Company's interests in the subsidiaries are analysed as follows:

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries incorporated in Malaysia** | | | |
| Gammau Construction Sdn. Bhd. | **100** | 100 | Property investment |
| Ganaz Bina Sdn. Bhd.* | **100** | 100 | Dormant |
| Gamuda Land Sdn. Bhd. | **100** | 100 | Property investment and holding company |
| Gamuda Land Leisure Sdn. Bhd. | **100** | 100 | Theme park operator |
| Gamuda Land Property Services Sdn. Bhd.* | **100** | 100 | Provision of property maintenance and management services |
| Usaha Era Fokus Sdn. Bhd.* | **100** | 100 | Security services |
| Gamuda Parks Sdn. Bhd. | **100** | 100 | Supplying and planting of landscaping materials and provision of landscaping services for property development |
| Highway Management Services Sdn. Bhd. | **100** | 100 | Business management consultancy services and rental of properties |
| GPI Trading Sdn. Bhd.* | **100** | 100 | Dormant |
| Gamuda Water Sdn. Bhd. ("Gamuda Water") | **80** | 80 | Management, operation and maintenance of dams and water treatment facilities and the treatment, production and supply of water |
| Gamuda Industrial Building System Sdn. Bhd. ("GIBS") | **100** | 100 | Manufacturing and installation of prefabricated concrete panels for construction of buildings |
| Jade Homes Sdn. Bhd. | **100** | 100 | Property development of Jade Hills |
| Jade Homes Resort Berhad | **100** | 100 | Proprietor and operator of a clubhouse |
| Gamuda Land Facilities Management Sdn. Bhd.* | **100** | 100 | Facility maintenance services |
| Gamuda Land (Botanic) Sdn. Bhd. | **100** | 100 | Property development of Bandar Botanic and Kundang Estates |
| Bandar Botanic Resort Berhad | **100** | 100 | Proprietor and operator of a clubhouse |
| Botanic Property Services Sdn. Bhd.* | **100** | 100 | Property maintenance services |
| Masterpave Sdn. Bhd. | **100** | 100 | Road surfacing works, manufacture and supply of concrete, beams and surfacing materials |
| Megah Capital Sdn. Bhd. ("Megah Capital") | **100** | 100 | Investment holding and trading |
| Megah Management Services Sdn. Bhd. | **100** | 100 | Insurance agent |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries (cont'd.)

The Company's interests in the subsidiaries are analysed as follows: (cont'd.)

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries incorporated in Malaysia (cont'd.)** | | | |
| Megah Sewa Sdn. Bhd. | **100** | 100 | Hiring, distribution and repairing plant, machinery and equipment |
| Valencia Development Sdn. Bhd.* | **100** | 100 | Property development of Valencia |
| Valencia Township Sdn. Bhd.* | **100** | 100 | Management of a gated residential townships including a clubhouse, golf course and other common properties, services and facilities contained therein |
| Madge Mansions Sdn. Bhd. | **100** | 100 | Property development of Madge Mansions |
| Highpark Development Sdn. Bhd. | **100** | 100 | Property development of HighPark Suites |
| Idaman Robertson Sdn. Bhd. | **100** | 100 | Property development of The Robertson |
| Gamuda Land (Kemuning) Sdn. Bhd. ("GL Kemuning") | **100** | 100 | Property development of twentyfive7 and mall operator |
| Gamuda Land (HCMC) Sdn. Bhd. | **100** | 100 | Property investment |
| Bandar Serai Development Sdn. Bhd. ("Bandar Serai") | **100** | 100 | Property development of Gamuda Gardens |
| Dinamik Atlantik Sdn. Bhd. | **100** | 100 | Property development of Bukit Bantayan Residences |
| Lifestyle Heritage Sdn. Bhd.* | **100** | 100 | Dormant |
| Gamuda Healthcare Sdn. Bhd. | **100** | 100 | To provide medical laboratories and healthcare services |
| Gamuda Land (T12) Sdn. Bhd. | **100** | 100 | Property development of Gamuda Cove |
| Discovery Wetlands Sdn. Bhd.* | **100** | 100 | Operate and maintain the Wetlands reserve |
| Kesas Holdings Berhad ("KESAS Holdings") | **70** | 70 | Investment holding |
| Kesas Sdn. Bhd.** (Disposal completed on 13 October 2022) | **–** | 70 | Design, construction and maintenance of Shah Alam Expressway, and development and management of toll operations |
| G.B. Kuari Sdn. Bhd. | **100** | 100 | Quarrying, manufacturing of premix and laying of road operations |
| Gamuda Trading Sdn. Bhd. | **100** | 100 | Trading of construction materials |
| Gamuda Naim Engineering and Construction (GNEC) Sdn. Bhd. | **65** | 65 | Undertake civil engineering and building construction of Pan Borneo Highway project and Batang Lupar Bridge project in Sarawak |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries (cont'd.)

The Company's interests in the subsidiaries are analysed as follows: (cont'd.)

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries incorporated in Malaysia (cont'd.)** | | | |
| SRS Consortium Sdn. Bhd. | **60** | 60 | Undertake the role of project delivery partner for the implementation of an alternative transport master plan compromising different public transport components in Penang and the provision of new reclamation sites |
| SRS PD Sdn. Bhd. | **100** | 100 | Investment holding |
| Silicon Island Development Sdn. Bhd. | **70** | – | Project development, provision of property management related services, construction services and property investment |
| Intensif Inovatif Sdn. Bhd.* | **100** | 100 | Dormant |
| Gamuda Engineering Sdn. Bhd. | **100** | 100 | Civil engineering and building construction |
| Gamuda Geo Sdn. Bhd.* | **100** | 100 | Sub-structure and geotechnical works |
| Gamuda M&E Sdn. Bhd.* | **100** | 100 | Provision and maintenance of mechanical and electrical services |
| Gamuda Energy Sdn. Bhd. (Formerly Gamuda Building Ventures Sdn. Bhd.)* | **100** | 100 | Building construction |
| Gamuda Tunnel Engineering Sdn. Bhd.* | **100** | 100 | Undertake tunneling works |
| **Subsidiaries unincorporated in Malaysia** | | | |
| SRS JV | **60** | 60 | Appointed as the PDP for PTMP via LoA in 2015 until the PDP rights have been assigned to SRSC S/B on 1st July 2020 via PDP Master Agreement |
| Held by Gamuda Engineering Sdn. Bhd.: Held by Gamuda M&E Sdn. Bhd.: | | | |
| GME-CI (GIBS2) Joint Venture* | **55** | 55 | Undertake the Mechanical and Electrical works of new Gamuda Industrial Building System ("GIBS") |
| GME-CI (Serai) Joint Venture* | **55** | 55 | Undertake the Mechanical and Electrical works of Gamuda Gardens |
| GME-CI (HKLCP) Joint Venture* | **55** | 55 | Undertake construction works for the "Hospital Kuala Lumpur Car Park" project |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries (cont'd.)

The Company's interests in the subsidiaries are analysed as follows: (cont'd.)

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries unincorporated in Malaysia (cont'd.)** | | | |
| Held by Gamuda Engineering Sdn. Bhd.: Held by Gamuda M&E Sdn. Bhd.: (cont'd.) | | | |
| GME-CI (T12TP) Joint Venture* | **55** | 55 | Undertake construction works for the project "Gamuda Cove Toll Plaza" |
| GME-CI (TTWS) Joint Venture* | **60** | 60 | Undertake the Mechanical and Electrical works of Mass Rapid Transit 2 ("MRT 2") project (Titiwangsa Station) |
| GME-CI (KBNS) Joint Venture* | **60** | 60 | Undertake the Mechanical and Electrical works of MRT 2 project (Escape Shaft 2) |
| GME-CI (UGW) Joint Venture* | **60** | 60 | Undertake the Mechanical and Electrical works of MRT 2 project (Escape Shaft 3) |
| **Subsidiary incorporated in Federal Territory of Labuan** | | | |
| Gamuda Land (Labuan) Limited | **100** | – | Investment holding |
| **Subsidiary incorporated in British Virgin Islands** | | | |
| Gamuda Overseas Investment Ltd.* | **100** | 100 | Investment holding |
| **Subsidiary incorporated in Mauritius** | | | |
| Gamuda (Offshore) Private Limited* | **100** | 100 | Investment holding |
| **Subsidiary incorporated in India** | | | |
| Held by Gamuda (Offshore) Private Limited: | | | |
| Gamuda – WCT (India) Private Limited*# | **70** | 70 | Civil engineering |
| **Subsidiaries incorporated in the Socialist Republic of Vietnam** | | | |
| Gamuda Land Vietnam Limited Liability Company ("GLVN")#^ | **100** | 100 | Undertakes the Yen So Park, sewage treatment plant and Gamuda City Development in Hanoi, Socialist Republic of Vietnam |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries (cont'd.)

The Company's interests in the subsidiaries are analysed as follows: (cont'd.)

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries incorporated in the Socialist Republic of Vietnam (cont'd.)** | | | |
| Held by Gamuda Land (HCMC) Sdn. Bhd.: | | | |
| Gamuda Land (HCMC) Joint Stock Company ("HCMCJSC")#^ | **100** | 100 | Property development of Celadon City in Ho Chi Minh City, Socialist Republic of Vietnam |
| Gamuda Land Binh Duong Company Limited#^ | **100** | 100 | Property development of Artisan Park in Binh Duong, Socialist Republic of Vietnam |
| Gamuda Land Nam Viet Investment Company Limited#^ | **100** | – | Provide real estate consulting, brokage, auction services and land use rights auction services |
| Truong Tin Construction and Housing Trading Company Limited#^ | **100** | – | Property development of Elysian in Thu Duc City, Ho Chi Minh City, Socialist Republic of Vietnam |
| Tam Luc real Estate Corporation#^ | **100** | – | Property development of MCT3.7 in Thu Duc City, Ho Chi Minh City, Socialist Republic of Vietnam |
| Van Lam Investment Limited Company#^ | **100** | – | Trading of real estate and land use right belonging to owner, users or renters; provide real estate consulting, brokage, auction services and land use rights auction services |
| **Subsidiary incorporated in Singapore** | | | |
| Gamuda (Singapore) Pte. Ltd. ("GB Singapore") ^ | **100** | 100 | Investment holding |
| **Subsidiaries incorporated in Australia** | | | |
| Gamuda (Australia) Pty Ltd ("GB Australia")^ | **100** | 100 | Property development of 661 Chapel St. & The Canopy on Normanby, Melbourne |
| Gamuda (Melbourne) Pty Ltd ^ | **100** | 100 | Property development of St. Kilda, Melbourne |
| Gamuda Engineering Pty Ltd (Formerly Gamuda Engineering (Australia) Pty Ltd)^ | **100** | 100 | Civil engineering and construction |
| Gamuda Geo Pty Ltd ^ | **100** | – | Dormant |
| Tunneling Solutions Pty Ltd ^ | **100** | – | Tunnelling specialist contractor |
| Gamuda Holding Pty Ltd ^ | **100** | – | Investment holding |
| DT Infrastructure Pty Ltd ^ | **100** | – | Infrastructure, civil engineering and construction works within the transport and railway sector across Australia |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (d) Interests in subsidiaries (cont'd.)

The Company's interests in the subsidiaries are analysed as follows: (cont'd.)

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Subsidiaries incorporated in Luxembourg** | | | |
| Gamuda (Luxembourg) S.a.r.l.^ | **100** | 100 | Investment holding |
| Gamuda Yoo Development Aldgate S.a.r.l.^ | **90** | 90 | Property investment and development of Aldgate London |
| GB Astir S.a.r.l.^ | **85** | 85 | Property development of West Hampstead Central London |
| **Subsidiary unincorporated in Singapore** | | | |
| Gamuda-Wai Fong Joint Venture^ | **60** | – | Undertakes civil engineering and construction works for Defu Station in Singapore |
| **Subsidiary unincorporated in Taiwan** | | | |
| Dong-Pi Gamuda Joint Venture ("Dong-Pi")^ | **70** | 70 | Undertakes civil engineering and construction works for Marine Bridge Project in Taiwan |
| Asia World Engineering and Construction Co. Ltd ("AWEC") – Gamuda Joint Venture^ | **60** | – | Undertakes civil engineering and construction works for Underground Railway Project Package CJ18 PingZhen Commuter Station in Taiwan |

* *Audited by firms of auditors other than Ernst & Young PLT, Malaysia*
\# *Financial year end which does not coincide with that of its holding company*
^ *Audited by member firms of Ernst & Young Global in the respective countries*
** *Interests in subsidiary classified as assets held for sale in previous financial year. Other details of the assets held for sale are further disclosed in Note 47.*

For the purpose of consolidating the subsidiaries with different financial year ends, the audited financial statements of the subsidiaries for the financial period from 1 August 2022 to 31 July 2023 have been used for consolidation for the Group's financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 17. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (e) Non-controlling interests ("NCI") in subsidiaries

The summarised financial information of the subsidiaries that have non-controlling interests which are material to the Company before intra-group elimination are as follows:

| | Gamuda Water | | Kesas Holdings | | Dong-Pi | | Other subsidiaries – individually immaterial | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **NCI percentage of ownership interest and voting interest (%)** | **20** | 20 | **30** | 30 | **30** | 30 | | | | |
| Dividend paid to NCI | **(10,000)** | (18,400) | **(372,038)** | (21,000) | **–** | – | **–** | – | **(382,038)** | (39,400) |
| Carrying amount of NCI | **29,614** | 32,179 | **21,108** | 248,113 | **26,350** | 16,839 | **58,386** | 52,313 | **135,458** | 349,444 |
| Total comprehensive income allocated to NCI | **7,435** | 9,590 | **145,032** | 14,201 | **9,511** | 5,560 | **3,896** | (620) | **165,874** | 28,731 |
| **Summarised statements of financial position** | | | | | | | | | | |
| Non-current assets | **257,898** | 244,252 | **253** | 959,257 | **–** | 35,149 | **20,746** | 97,752 | **278,897** | 1,336,410 |
| Current assets | **96,949** | 87,048 | **70,301** | 327,222 | **192,112** | 155,012 | **1,336,490** | 560,074 | **1,695,852** | 1,129,356 |
| Non-current liabilities | **(80,251)** | (68,997) | **–** | (351,186) | **(72,740)** | (88,360) | **(241,861)** | (186,060) | **(394,852)** | (694,603) |
| Current liabilities | **(126,528)** | (101,408) | **(195)** | (110,265) | **(31,540)** | (45,672) | **(894,872)** | (269,364) | **(1,053,135)** | (526,709) |
| Net assets | **148,068** | 160,895 | **70,359** | 825,028 | **87,832** | 56,129 | **220,503** | 202,402 | **526,762** | 1,244,454 |
| **Summarised statements of comprehensive income** | | | | | | | | | | |
| Revenue | **181,125** | 179,663 | **47,810** | 241,802 | **555,306** | 287,722 | **399,633** | 324,416 | **1,183,874** | 1,033,603 |
| Profit for the year | **37,285** | 49,478 | **483,440** | 93,849 | **34,712** | 19,127 | **(822)** | (1,191) | **554,615** | 161,263 |
| Total comprehensive income/(loss) | **37,174** | 47,949 | **483,440** | 47,336 | **31,703** | 18,533 | **2,176** | (7,656) | **554,493** | 106,162 |
| **Summarised statements of cash flows** | | | | | | | | | | |
| Cash flows generated from/(used in) operating activities | **81,876** | 78,969 | **(1,057)** | 114,475 | **23,205** | (6,882) | **(18,152)** | (579) | **85,872** | 185,983 |
| Cash flows (used in)/generated from investing activities | **(39,421)** | 10,109 | **1,242,659** | 6,128 | **–** | – | **(5,185)** | (5,126) | **1,198,053** | 11,111 |
| Cash flows (used in)/generated from financing activities | **(50,090)** | (92,090) | **(1,240,126)** | (160,000) | **–** | – | **55,934** | 3,367 | **(1,234,282)** | (248,723) |
| Net (decrease)/increase in cash and cash equivalents | **(7,635)** | (3,012) | **1,476** | (39,397) | **23,205** | (6,882) | **32,597** | (2,338) | **49,643** | (51,629) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 18. INTERESTS IN ASSOCIATED COMPANIES

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Unquoted shares, in Malaysia: | | | | |
| At cost: | | | | |
| – Ordinary shares | **85,104** | 5,104 | **83,004** | 3,004 |
| Group's share of post-acquisition reserve, net of dividends receivable | **24,815** | 22,145 | **–** | |
| | **109,919** | 27,249 | **83,004** | 3,004 |
| Unquoted shares, outside Malaysia: | | | | |
| At cost: | | | | |
| – Ordinary shares | **11** | 11 | **–** | – |
| – Redeemable preference shares | **25,967** | 25,967 | **–** | – |
| | **25,978** | 25,978 | **–** | – |
| Group's share of post-acquisition reserve, net of dividends receivable | **25,245** | 24,379 | **–** | – |
| | **51,223** | 50,357 | **–** | – |
| **Total** | **161,142** | 77,606 | **83,004** | 3,004 |

On 7 December 2022, the Company executed a subscription and shareholders agreement to acquire up to a 30% equity interest in ERS Energy Sdn. Bhd. via subscription of 4,285,714 new ordinary shares for a total cash consideration of RM200,000,000.

As at 31 July 2023, the Company acquired 14.6% equity interest in ERS Energy Sdn. Bhd. for RM80,000,000. Subject to the fulfillment of the remaining conditions precedents under the subscription and shareholders agreement, the remaining 15.4% is expected to be acquired in the next financial year.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 18. INTERESTS IN ASSOCIATED COMPANIES (CONT'D.)

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Classified as assets held for sale/distribution:** | | | | |
| Unquoted shares, in Malaysia: | | | | |
| At cost: | | | | |
| – Ordinary shares | – | 300 | – | 300 |
| – Redeemable preference shares | – | 190,290 | – | 190,290 |
| | – | 190,590 | – | 190,590 |
| Group's share of post-acquisition reserve, net of dividends receivable | – | (20,125) | – | – |
| | – | 170,465 | – | 190,590 |
| Quoted shares, in Malaysia: | | | | |
| At cost: | | | | |
| – Ordinary shares | – | 59,624 | – | 59,624 |
| Group's share of post-acquisition capital reserves | – | 165,575 | – | – |
| Group's share of post-acquisition reserve, net of dividends receivable | – | 346,531 | – | – |
| | – | 571,730 | – | 59,624 |
| **Total** | – | 742,195 | – | 250,214 |

Lingkaran Trans Kota Holdings Berhad and Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. (being the "Concession Holding Company" respectively) accepted the offer from Amanat Lebuhraya Rakyat Berhad ("ALR") to acquire all the securities of its wholly-owned subsidiary, Lingkaran Trans Kota Sdn. Bhd. and Sistem Penyuraian Trafik KL Barat Sdn. Bhd. (being the "Expressway Concession Company" respectively) as disclosed in Note 42. Consequently, Lingkaran Trans Kota Holdings Berhad and Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. was classified as assets held for sale in prior year.

On 13 October 2022, the disposal of the highway concession was completed. The asset held for distribution amounting to RM250,214,000 has been recovered by the Company through dividend income received from the concession holding companies.

Further details are disclosed in Note 42.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 18. INTERESTS IN ASSOCIATED COMPANIES (CONT'D.)

### (a) Interest in associated companies

The Group's and the Company's interests in the associated companies are analysed as follows:

| Name of company | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Associated companies** | | | |
| **Incorporated in Malaysia** | | | |
| Syarikat Pengeluar Air Selangor Holdings Berhad ("SPLASH Holdings") | **40** | 40 | Investment holding and provision of management services |
| Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. ("SPRINT Holdings")^ | **30** | 30 | Investment holding |
| Lingkaran Trans Kota Holdings Berhad ("LITRAK Holdings")^ (Delisted from Bursa Malaysia on 12 September 2023) | **42** | 44 | Investment holding |
| Via LITRAK Holdings | | | |
| Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd. ("SPRINT Holdings")^ | **21** | 22 | Investment holding |
| Naim Gamuda (NAGA) JV Sdn. Bhd. ("NAGA")* | **30** | 30 | Civil engineering and construction |
| Held by Gamuda Engineering Sdn. Bhd.: | | | |
| Bumi Fantasia Sdn. Bhd.* | **36** | 36 | Sea sand mining and in particular extraction of sand |
| ERS Energy Sdn. Bhd.* | **14.6** | – | Engineering, procurement, construction and commissioning of solar photovoltaic systems and plants |
| **Unincorporated in Malaysia** | | | |
| Held by Gamuda Engineering Sdn. Bhd.: | | | |
| Lim Hoo Seng – Gamuda Engineering Joint Venture* | **30** | 30 | Civil engineering and construction |
| **Incorporated in Mauritius** | | | |
| Held by Gamuda (Offshore) Private Limited: | | | |
| Suria Holding (O) Pvt. Ltd*# | **50** | 50 | Investment holding |
| Gamuda – WCT (Offshore) Private Limited*# | **50** | 50 | Investment holding |

* *Audited by firms other than Ernst & Young PLT, Malaysia*
\# *Financial year end of 31 July*
^ *Interests in associated companies held as assets for sale*

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 18. INTERESTS IN ASSOCIATED COMPANIES (CONT'D.)

### (a) Interest in associated companies (cont'd.)

All associated companies have financial year end of 31 March/30 September/31 December, other than those marked with #. For the purpose of applying the equity method for associated companies with financial year end of 31 March/30 September/31 December, the last audited financial statements available and the management financial statements to 31 July of the associated companies have been used.

### (b) Summarised financial information of material associated companies

The summarised financial information of the material associated company which are accounted for using the equity method are as follows:

| 2023 | ERS Energy RM'000 | Other associates – individually immaterial, representing total RM'000 | Total RM'000 |
|---|---|---|---|
| **Summarised statements of financial position** | | | |
| Non-current assets | 80,370 | 20,349 | 100,719 |
| Current assets | 540,965 | 321,793 | 862,758 |
| Non-current liabilities | (14,948) | (78,716) | (93,664) |
| Current liabilities | (445,609) | (80,697) | (526,306) |
| Net assets | 160,778 | 182,729 | 343,507 |
| **Summarised statements of comprehensive income** | | | |
| **Results** | | | |
| Revenue | 434,290 | 289,470 | 723,760 |
| Profit for the year | 11,268 | 10,505 | 21,773 |
| **Reconciliation of net to carrying amount as at year end** | | | |
| Group's share of net assets | 23,474 | 80,077 | 103,551 |
| Fair value on acquisition in excess of net assets | 58,172 | 1,743 | 59,915 |
| Foreign exchange differences | – | (2,324) | (2,324) |
| Carrying amount in statements of financial position | 81,646 | 79,496 | 161,142 |
| Group's net share of profit for the year | 1,645 | 4,666 | 6,311 |
| Other information | | | |
| – Group's share of dividend | – | 450 | 450 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 18. INTERESTS IN ASSOCIATED COMPANIES (CONT'D.)

### (b) Summarised financial information of material associated companies (cont'd.)

The summarised financial information of the material associated company which are accounted for using the equity method are as follows: (cont'd.)

| 2022 | Other associates – individually immaterial, representing total RM'000 |
|---|---|
| **Summarised statements of financial position** | |
| Non-current assets | 16,734 |
| Current assets | 237,217 |
| Current liabilities | (80,226) |
| Net assets | 173,725 |
| **Summarised statements of comprehensive income** | |
| **Results** | |
| Revenue | 409,810 |
| Profit for the year | 15,375 |
| **Reconciliation of net to carrying amount as at year end** | |
| Group's share of net assets | 75,863 |
| Fair value on acquisition in excess of net assets | 1,743 |
| Carrying amount in statements of financial position | 77,606 |
| Group's net share of profit for the year | 6,008 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Unquoted shares at cost: | | | | |
| – Malaysia | **226,352** | 194,103 | **140,377** | 128,127 |
| – Outside Malaysia | **151,777** | 7,538 | **–** | – |
| Advances to joint ventures | **115,808** | 176,383 | **–** | – |
| Group's share of post-acquisition reserves, net of dividends receivable | **735,043** | 555,039 | **–** | – |
| | **1,228,980** | 933,063 | **140,377** | 128,127 |
| **Classified as assets held for sale:** | | | | |
| Unquoted shares at cost: | | | | |
| – Malaysia | **–** | 161,500 | **–** | 161,500 |
| Group's share of post-acquisition reserves, net of dividends receivable | **–** | (63,048) | **–** | – |
| Less: Accumulated impairment losses | **–** | (98,452) | **–** | (161,500) |
| Assets held for sale | **–** | – | **–** | – |

Advances to joint ventures are related to projects in Singapore and have no fixed term of repayment, unsecured and non-interest bearing. The advances represent long term investments, hence, capital in nature. As a result, in substance, the advances form part of the Group's interest in joint arrangements.

### (a) Current financial year

**Changes in group structure**

i) On 11 November 2022, Gamuda Berhad subscribed 2,450,000 ordinary shares with a consideration of RM2,450,000 and a further 9,800,000 redeemable preference shares with a consideration of RM9,800,000 to acquire 49% equity interest in Neda Pekan Sdn. Bhd. with ERS Energy Sdn Bhd ("ERS Energy") holding the remaining 51% equity interest to undertake the development, operation and maintanance of solar photovoltaic power plant.

ii) During the year, Gamuda Land Sdn. Bhd., a wholly-owned subsidiary of the Company increased its investment in Gamuda GM Sdn. Bhd. ("GGM") by RM20,000,000 for working capital purposes. The Group's equity interest in GGM remains at 50% (2022: 50%).

(iii) During the year, the Company via Gamuda Berhad Australia branch entered into the following:

- An arrangement with John Holland Construction to form an unincorporated joint venture, namely John Holland – Gamuda JV. On 22 December 2022, the JV was awarded a major road transport project by the New South Wales ("NSW") Government to deliver the Black Hill to Tomago Package of works for the M1 Motorway Extension to Raymond Terrace in Australia; and

- An arrangement with Ferrovial Construction to form an unincorporated joint venture, namely Ferrovial – Gamuda JV. In June 2022, the JV was awarded the Coffs Harbour Bypass Project from the NSW Government to design and construct a 14-km new and upgraded four-lane highway in Australia.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (a) Current financial year (cont'd.)

**Changes in group structure (cont'd.)**

(iii) On 20 June 2023, the Company through its wholly owned indirect subsidiary in Australia, DT Infrastructure Pty Ltd, acquired the Downer Transport Projects ("DTP") as further disclosed in Note 42(a). The DTP includes the following unincorporated joint ventures:

- The unincorporated joint venture between Downer EDI Works Pty Ltd, McConnell Dowell Constructors (Aus) Pty Ltd, Arup and WSP Australia ("Djilang Alliance") to undertake the design and construction of South Geelong to Waurn Ponds Duplication project in Australia.
- The unincorporated joint venture between Downer EDI Limited and CPB Contractors ("NE West Alliance") to undertake the design and construction of Perth's METRONET project in Australia.

(iv) On 27 March 2023, Gamuda Land (Labuan) Limited ("GLL"), a wholly owned subsidiary of the Group and Athelstan Limited entered into a Shareholders' Agreement ("SHA") and Limited Partnership Agreement ("LPA") (collectively referred as the "Agreements") in respect to the arrangement to acquire, refurbish and upgrade the Winchester House as further disclose in Notes 3.1 and 42(c).

As at 31 July 2023, GLL has 75% equity interest in the joint venture and GLL's share of cost of investment was GBP26,385,000 (equivalent to RM144,239,000).

### (b) Previous financial year

**Interest in a joint arrangement held for sale**

In the previous financial year, Projek SMART Holdings Sdn. Bhd. (being the "Concession Holding Company") accepted the offer from Amanat Lebuhraya Rakyat Berhad ("ALR") to acquire all the securities of its wholly-owned subsidiary, Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd. (being the "Expressway Concession Company") as disclosed in Note 42. Consequently, Projek SMART Holdings Sdn. Bhd. was classified as assets held for sale. The Group's share of post-acquisition reserves, net of dividends receivables is inclusive of the Group's share of impairment loss of RM26,186,000 recognised by Projek SMART Holdings Sdn. Bhd. In addition, the Company recognised additional impairment loss of RM49,500,000 in respect of its interest in Projek SMART Holdings Sdn. Bhd.

On 13 October 2022, the disposal of the highway concession was completed.

Further details are disclosed in Note 42.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (c) Details of the joint arrangements are as follows:

| Name of joint operations | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Unincorporated in Malaysia** | | | |
| Malaysia Mining Corporation Berhad – Gamuda Berhad Joint Venture Electrified Double Track Project ("MMC – Gamuda JV 2T") | **50** | 50 | Undertake engineering, procurement, and construction of the Electrified Double – Tracking from Ipoh to Padang Besar Project |
| MMC – Gamuda KVMRT (UGW) Joint Venture | **50** | 50 | Undertake the tunneling, underground works and such other works in relation to the underground works package for the Klang Valley Mass Rapid Transit Project Sungai Buloh – Kajang Line ("KVMRT Line 1") and Klang Valley Mass Rapid Transit Project Sungai Buloh – Serdang – Putrajaya Line ("KVMRT Line 2") |
| Held by Gamuda Engineering Sdn. Bhd.: | | | |
| Held by Gamuda M&E Sdn. Bhd.: | | | |
| GME-SE Joint Venture (STW)* | **50** | 50 | Undertake the construction works of Sentul West Station and Escape Shaft 1 |
| Lim Hoo Seng – Gamuda Engineering (Stonor 3) Joint Venture* | **50** | 50 | Undertake the construction works for the high rise residential project at Jalan Stonor |
| Lim Hoo Seng – Gamuda Engineering (SCM) Joint Venture* | **50** | 50 | Undertake the construction works for expansion of the existing Setia City Mall located at Setia Alam, Selangor |
| Gamuda Engineering – Lim Hoo Seng (GEMS) Joint Venture* | **50** | 50 | Undertake the construction works for IOI Resort City project |
| Gamuda Engineering – Lim Hoo Seng (Theme Park) Joint Venture* | **50** | 50 | Undertake the construction of water theme park for Gamuda Land Leisure Sdn. Bhd. |
| Kerjaya Gamuda Joint Venture | **50** | 50 | Undertake the construction of Gurney Marine Bridge |
| Held by Masterpave Sdn. Bhd.: | | | |
| Wai Fong – Masterpave (SSP UG) Joint Venture | **50** | 50 | Undertake the concrete works for KVMRT Line 2 |
| **Unincorporated in Qatar** | | | |
| Gamuda Berhad – WCT Engineering Berhad Joint Venture ("Gamuda – WCT JV")^& | **51** | 51 | Undertake civil engineering construction of a new highway from the town of Shahaniya to the existing Zekreet interchange near the Dukhan industrial area in the State of Qatar |
| **Unincorporated in Taiwan** | | | |
| Feng Shun – Gamuda Joint Venture^ | **50** | 50 | Undertakes civil engineering and construction works 161kV Songshu to Guangfeng Underground Transmission Line in Taiwan |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (c) Details of the joint arrangements are as follows: (cont'd.)

| Name of joint operation/ventures | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Joint operation** | | | |
| **Unincorporated in Australia** | | | |
| John Holland Gamuda Joint Venture^& | **40** | – | Undertake the design and construction work of M1 Motorway Extension to Raymond Terrace: Black Hill to Tomago Works project in Australia |
| Ferrovial Gamuda Joint Venture^ | **50** | – | Undertake the design and construction work of Coffs Harbour Bypass project in Australia |
| McConnell Dowell, Downer, Arup and WSP Australia ("Djilang Alliance")^ | **50** | – | Undertake the design and construction work of South Geelong to Waurn Ponds Duplication project in Australia |
| Downer CPB Contractors ("NE West Alliance")^ | **50** | – | Undertake the design and construction work of Perth's METRONET project in Australia |
| **Joint ventures** | | | |
| **Incorporated in Malaysia** | | | |
| Projek SMART Holdings Sdn. Bhd. ("SMART Holdings") | **50** | 50 | Investment holding |
| MMC – Gamuda Joint Venture Sdn. Bhd. | **50** | 50 | Undertake, carry out and implement the Electrified Double-Tracking from Ipoh to Padang Besar Project |
| Horizon Hills Development Sdn. Bhd. ("Horizon Hills"): | **50** | 50 | Property development of Horizon Hills |
| Horizon Hills Resort Berhad | **50** | 50 | Undertake the management of a club and golf course |
| Horizon Hills Property Services Sdn. Bhd. | **50** | 50 | Undertake the management and maintenance of the properties |
| MMC Gamuda KVMRT (PDP) Sdn. Bhd. ("KVMRT (PDP)") | **50** | 50 | Undertake the role of a project delivery partner to deliver fully functional operating railway system for KVMRT Line 1 |
| MMC Gamuda KVMRT (PDP SSP) Sdn. Bhd. ("KVMRT (PDP SSP)") | **50** | 50 | Undertake the role of a turnkey contractor to deliver fully functional operating railway system for KVMRT Line 2 |
| MMC Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel SB") | **50** | 50 | Undertake the tunneling, underground works and such other works in relation to the underground works package for KVMRT Line 1 and KVMRT Line 2 |
| Hicom-Gamuda Development Sdn. Bhd. | **50** | 50 | Property development of Kota Kemuning |
| Danau Permai Resort Berhad | **50** | 50 | Undertake the management of a club and golf course |
| Kota Kemuning Nursery & Landscaping Sdn. Bhd. | **50** | 50 | Supply and planting of landscaping materials and providing landscaping services for property development |

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (c) Details of the joint arrangements are as follows: (cont'd.)

| Name of joint ventures | Proportion of ownership 2023 % | 2022 % | Principal/Economic activities |
|---|---|---|---|
| **Incorporated in Malaysia (cont'd.)** | | | |
| Held by Gamuda Land Sdn. Bhd.: | | | |
| Gamuda GM Sdn. Bhd.# | **50** | 50 | Operating and building management of Tower 1 of The Robertson Suites, Bukit Bintang commercial complex |
| Gamuda GM Klang Sdn. Bhd.# | **50** | 50 | Developer and operator of a wholesale hub in GM Klang Wholesale City located at Bandar Botanic, Klang |
| MRCB Gamuda Sdn. Bhd.* | **50** | 50 | Dormant |
| Neda Pekan Sdn. Bhd.*& | **49** | – | Developing, operating, and maintaining of solar photovoltaic power plant |
| Via ERS Energy Sdn. Bhd. Neda Pekan Sdn. Bhd.*& | **7.4** | – | Developing, operating, and maintaining of solar photovoltaic power plant |
| **Incorporated in Singapore** | | | |
| Held by Gamuda (Singapore) Pte. Ltd.: | | | |
| GEM Homes Pte. Ltd.^# ("GEM Homes") | **50** | 50 | Property development of GEM Residences in Singapore |
| Anchorvale Pte. Ltd.^# ("Anchorvale") | **50** | 50 | Property development of OLA Executive Condo in Singapore |
| **Incorporated in United Kingdom** | | | |
| Held by Gamuda Land (Labuan) Limited: | | | |
| Venta Belgarum L.P.^& | **75** | – | Investment holding |
| Venta Belgarum II L.P.^& | **75** | – | Investment holding |
| Wessex Winchester Propco Limited^& | **75** | – | Property development of Winchester House, London |
| Venta Belgarum G.P. Limited^& | **75** | – | Investment holding |
| Venta Belgarum II G.P. Limited^& | **75** | – | Investment holding |

** Audited by firms other than Ernst & Young PLT*
*^ Audited by affiliated firms of Ernst & Young Global in the respective countries*
*# Financial year end of 31 July*
*& Pursuant to MFRS 11: Joint Arrangements, these joint ventures/joint operations are deemed to be joint arrangement of Gamuda Berhad as the parties involved are undertaking economic activities that are subject to joint control.*

All joint arrangements have financial year end of 31 March/30 September/31 December, other than those marked with #.

For the purpose of applying equity method for the joint ventures with financial year end of 31 March/30 September/31 December, the last audited financial statements available and the management financial statements to 31 July of the joint ventures have been used.

(i) Greatearth-Gamuda Joint Venture

In the previous financial year, the Company's 55% joint venture partner, Greatearth Corporation filed a statutory declaration on 3 September 2021 of their company's inability to continue business and notified the Company of their intention to withdraw from the Gali Batu Multi-Storey Bus Depot. Subsequent to the novation of all duties, obligations, claims and liabilities of Greatearth Corporation to the Company, the Company gained control over Greatearth-Gamuda Joint Venture as it had 100% interest in the joint venture and accounts for the Greatearth-Gamuda Joint Venture as an incorporated subsidiary, which subsequently deregistered on 21 November 2022.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (d) Summarised financial information of material joint ventures

The summarised financial information of the material joint ventures which are accounted for using the equity method are as follows:

| 2023 | Horizon Hills RM'000 | Anchorvale RM'000 | KVMRT (PDP SSP) (Line 2) RM'000 | Tunnel SB (Line 1 & 2) (Underground) RM'000 | Winchester House RM'000 | Other joint ventures - individually immaterial RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|
| **Summarised statements of financial position** | | | | | | | |
| Non-current assets | 328,685 | 7,351 | 870,472 | 371,394 | 23,491 | 436,519 | 2,037,912 |
| Current assets | 677,600 | 1,964,743 | 1,138,839 | 253,412 | 1,659,317 | 329,548 | 6,023,459 |
| Non-current liabilities | (202,736) | (822,318) | (517,844) | (2,409) | (1,415,093) | (123,609) | (3,084,009) |
| Current liabilities | (154,640) | (901,017) | (818,664) | (392,852) | (52,212) | (236,794) | (2,556,179) |
| **Net assets** | 648,909 | 248,759 | 672,803 | 229,545 | 215,503 | 405,664 | 2,421,183 |

The above amounts of assets and liabilities include the following:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Cash and cash equivalents | 54,707 | 80,224 | 26,097 | 136,853 | 90,352 | 82,103 | 470,336 |
| Current financial liabilities (excluding trade and other payables and provision) | – | – | – | – | – | (28,346) | (28,346) |
| Non-current financial liabilities (excluding trade and other payables and provision) | (164,801) | (822,318) | – | – | (868,800) | (40,491) | (1,896,410) |
| **Summarised statements of comprehensive income** | | | | | | | |
| **Results** | | | | | | | |
| Revenue | 180,195 | – | 1,470,684 | 292,763 | – | 48,907 | 1,992,549 |
| Profit/(loss) for the year | 43,587 | (513) | 391,963 | 34,902 | 6,587 | (13,600) | 462,926 |

The above profit for the year includes the following:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Depreciation and amortisation | (2,799) | (10) | (3,604) | (3,621) | – | (18,533) | (28,567) |
| Interest income | 6,503 | – | 30,998 | 20,386 | – | 2,774 | 60,661 |
| Income tax (expense)/credit | (10,741) | 105 | (131,787) | (6,748) | – | (1,240) | (150,411) |
| Finance costs | (2,421) | – | (291) | – | – | (15,294) | (18,006) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (d) Summarised financial information of material joint ventures (cont'd.)

The summarised financial information of the material joint ventures which are accounted for using the equity method are as follows: (cont'd.)

| 2022 | Horizon Hills RM'000 | Anchorvale RM'000 | KVMRT (PDP SSP) (Line 2) RM'000 | Tunnel SB (Line 1 & 2) (Underground) RM'000 | Other joint ventures - individually immaterial RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| **Summarised statements of financial position** | | | | | | |
| Non-current assets | 273,271 | 6,912 | 716,444 | 319,416 | 495,874 | 1,811,917 |
| Current assets | 797,713 | 1,828,571 | 2,106,937 | 560,136 | 365,099 | 5,658,456 |
| Non-current liabilities | (217,565) | (825,345) | (588,156) | (2,477) | (229,458) | (1,863,001) |
| Current liabilities | (178,057) | (654,020) | (1,834,385) | (682,216) | (260,019) | (3,608,697) |
| **Net assets** | 675,362 | 356,118 | 400,840 | 194,859 | 371,496 | 1,998,675 |
| The above amounts of assets and liabilities include the following: | | | | | | |
| Cash and cash equivalents | 59,428 | 247,695 | 51,433 | 158,814 | 97,124 | 614,494 |
| Current financial liabilities (excluding trade and other payables and provision) | – | – | – | – | (29,746) | (29,746) |
| Non-current financial liabilities (excluding trade and other payables and provision) | (182,764) | (825,344) | – | – | (57,556) | (1,065,664) |
| **Summarised statements of comprehensive income** | | | | | | |
| **Results** | | | | | | |
| Revenue | 209,628 | – | 3,328,072 | 1,000,254 | 110,086 | 4,648,040 |
| Profit/(loss) for the year | 43,216 | (5,551) | 635,935 | 43,746 | (29,696) | 687,650 |
| The above profit for the year includes the following: | | | | | | |
| Depreciation and amortisation | (2,379) | (4,460) | (3,604) | (5,710) | (25,129) | (41,282) |
| Interest income | 4,820 | – | 37,504 | 28,013 | 2,021 | 72,358 |
| Income tax expense | (13,845) | 480 | (193,663) | (4,830) | (2,157) | (214,015) |
| Finance costs | (630) | – | – | – | (12,699) | (13,329) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 19. INTERESTS IN JOINT ARRANGEMENTS (CONT'D.)

### (d) Summarised financial information of material joint ventures (cont'd.)

The summarised financial information of the material joint ventures which are accounted for using the equity method are as follows: (cont'd.)

| 2023 | Horizon Hills RM'000 | Anchorvale RM'000 | KVMRT (PDP SSP) (Line 2) RM'000 | Tunnel SB (Line 1 & 2) (Underground) RM'000 | Winchester House RM'000 | Other joint ventures - individually immaterial RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|
| **Reconciliation of net assets to carrying amount as at year end** | | | | | | | |
| Group's share of net assets | **307,205** | **124,380** | **336,401** | **114,773** | **161,627** | **184,594** | **1,228,980** |
| Group's share of profit/(loss) for the year | **21,794** | **(257)** | **195,982** | **17,451** | **4,940** | **(12,777)** | **227,133** |
| Other information – Group's share of dividend (Note 4) | **35,000** | **–** | **60,000** | **–** | **–** | **10,000** | **105,000** |

| 2022 | Horizon Hills RM'000 | Anchorvale RM'000 | KVMRT (PDP SSP) (Line 2) RM'000 | Tunnel SB (Line 1 & 2) (Underground) RM'000 | Other joint ventures - individually immaterial RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| **Reconciliation of net assets to carrying amount as at year end** | | | | | | |
| Group's share of net assets | 320,431 | 178,059 | 200,420 | 97,429 | 136,724 | 933,063 |
| Group's share of profit/(loss) for the year | 21,608 | (2,775) | 317,968 | 21,873 | (14,849) | 343,825 |
| Other information – Group's share of dividend (Note 4) | 130,000 | – | 243,000 | 50,000 | – | 423,000 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 20. OTHER INVESTMENTS

| | Group 2023 RM'000 | Group 2022 RM'000 | Company 2023 RM'000 | Company 2022 RM'000 |
|---|---|---|---|---|
| Investment fund | **11,756** | 7,119 | **11,756** | 7,119 |
| Others | **683** | 683 | **683** | 683 |
| | **12,439** | 7,802 | **12,439** | 7,802 |

The fair value of other investments are disclosed in Note 43 to the financial statements.

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS

| | Note | Group 2023 RM'000 | Group 2022 RM'000 | Company 2023 RM'000 | Company 2022 RM'000 |
|---|---|---|---|---|---|
| **Current** | | | | | |
| **(i) Receivables** | (a) | | | | |
| Trade | | **2,195,709** | 1,616,447 | **611,109** | 620,418 |
| Less: Allowance for impairment | | **(71,142)** | (70,617) | **(69,771)** | (68,928) |
| | | **2,124,567** | 1,545,830 | **541,338** | 551,490 |
| Non-trade | | **817,541** | 891,247 | **360,015** | 319,277 |
| **Total current receivables and other financial assets** | | **2,942,108** | 2,437,077 | **901,353** | 870,767 |
| **Non-current** | | | | | |
| **(i) Receivables** | (b) | | | | |
| Trade | | **148,821** | 189,371 | **8,341** | 7,519 |
| Non-trade | | **16,207** | 32,515 | **760** | 5,070 |
| | | **165,028** | 221,886 | **9,101** | 12,589 |
| **(ii) Other financial assets** | | | | | |
| Other financial assets at amortised cost | (c) | **105,568** | 102,767 | **–** | – |
| **Total non-current receivables and other financial assets** | (d) | **270,596** | 324,653 | **9,101** | 12,589 |
| **Total receivables and other financial assets** | | **3,212,704** | 2,761,730 | **910,454** | 883,356 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

Receivables of the Group and of the Company are analysed as follows:

### (a) Current

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Trade receivables** | | | | | |
| Third parties | | **1,505,782** | 972,276 | **326,864** | 289,489 |
| Associated companies | (ii) | **53,969** | 32,703 | **–** | – |
| Joint ventures | (iii) | **109,970** | 264,489 | **104,675** | 222,292 |
| Advances to subcontractors | | **342,916** | 248,826 | **114,205** | 46,350 |
| Retention sums | | **156,145** | 86,712 | **65,365** | 62,287 |
| Stakeholder funds | | **26,927** | 11,441 | **–** | – |
| | (i) | **2,195,709** | 1,616,447 | **611,109** | 620,418 |
| Less: Allowance for impairment | | **(71,142)** | (70,617) | **(69,771)** | (68,928) |
| | | **2,124,567** | 1,545,830 | **541,338** | 551,490 |
| **Non-trade receivables** | | | | | |
| Associated companies | (ii) | **703** | 555 | **151** | 151 |
| Joint ventures | (iii) | **59,525** | 86,518 | **3,052** | 11,332 |
| Deposits | | **107,469** | 418,713 | **34,903** | 4,861 |
| Prepayments | | **189,390** | 171,722 | **149,143** | 142,331 |
| Sundry receivables | | **460,454** | 213,739 | **172,766** | 160,602 |
| | | **817,541** | 891,247 | **360,015** | 319,277 |
| | | **2,942,108** | 2,437,077 | **901,353** | 870,767 |

Included in advances to subcontractors during the year are amounts due from joint venture partners for construction projects amounting RM83,056,000 (2022: Nil) for on-going projects.

Included in the sundry receivables is the balance of proceeds receivable from highway concession companies. Further details are disclosed in Note 47.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

Receivables of the Group and of the Company are analysed as follows: (cont'd.)

### (b) Non-current

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Trade receivables** | | | | | |
| Third parties | | **99,560** | 85,169 | **–** | – |
| Joint ventures | (iii) | **2,440** | 44,272 | **244** | – |
| Retention sums | | **17,655** | 59,930 | **8,097** | 7,519 |
| Stakeholder funds | | **29,166** | – | **–** | – |
| | | **148,821** | 189,371 | **8,341** | 7,519 |
| **Non-trade receivables** | | | | | |
| Joint ventures | (iii) | **–** | 13,750 | **–** | – |
| Deposits | | **14,983** | 18,063 | **760** | 5,062 |
| Sundry receivables | | **425** | – | **–** | – |
| Prepayments | | **799** | 702 | **–** | 8 |
| | | **16,207** | 32,515 | **760** | 5,070 |
| | | **165,028** | 221,886 | **9,101** | 12,589 |

### (c) Other financial assets at amortised cost

As part of the terms of the asset-backed securities ("ABS") exercise, Gamuda Water was required to subscribe to the junior notes of the ABS. The financial asset is measured at amortised cost.

The asset-backed medium-term notes has a variable coupon rate with a maturity term of 8 years. As at the reporting date, the interest rate is 1.97% (2022: 2.32%). The Group receives coupon payment semi-annually, with the principal to be paid to the Group on maturity date of 23 March 2029.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

### (c) Other financial assets at amortised cost (cont'd.)

#### (i) Current

**Trade receivables**

Trade receivables are non-interest bearing and are generally on 14 to 90 days (2022: 14 to 90 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's and the Company's trade receivables are as follows:

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Neither past due nor impaired | **1,846,590** | 1,316,489 |
| 1 to 30 days past due not impaired | **157,156** | 70,730 |
| 31 to 60 days past due not impaired | **21,001** | 23,845 |
| 61 to 90 days past due not impaired | **19,539** | 15,757 |
| 91 to 120 days past due not impaired | **5,050** | 20,784 |
| More than 120 days past due not impaired | **75,231** | 98,225 |
| | **277,977** | 229,341 |
| Impaired | **71,142** | 70,617 |
| | **2,195,709** | 1,616,447 |

| | Company | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Neither past due nor impaired | **417,969** | 517,389 |
| 1 to 30 days past due not impaired | **97,699** | 10,505 |
| 31 to 60 days past due not impaired | **1,222** | – |
| 61 to 90 days past due not impaired | **237** | – |
| 91 to 120 days past due not impaired | **301** | 3,057 |
| More than 120 days past due not impaired | **23,910** | 20,539 |
| | **123,369** | 34,101 |
| Impaired | **69,771** | 68,928 |
| | **611,109** | 620,418 |

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company. None of the Group's and the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

### (c) Other financial assets at amortised cost (cont'd.)

#### (i) Current (cont'd.)

**Trade receivables (cont'd.)**

**Receivables that are past due but not impaired**

The Group and the Company have trade receivables amounting to RM277,977,000 (2022: RM229,341,000) and RM123,369,000 (2022: RM34,101,000) respectively that are past due at the reporting date but not impaired. The receivables are related to customers with on-going transactions and/or progressive payments, and unsecured in nature.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for grouping of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and for more than one year and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed above.

**Receivables that are impaired**

The Group's and the Company's trade receivables that are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Trade receivables – nominal amounts | **71,142** | 70,617 |
| Less: Allowance for impairment | **(71,142)** | (70,617) |
| | **–** | – |
| Movement in allowance accounts: | | |
| At 1 August 2022/2021 | **70,617** | 67,378 |
| Reversal for the year (Note 7) | **(318)** | (772) |
| Exchange difference | **843** | 4,011 |
| At 31 July | **71,142** | 70,617 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

### (c) Other financial assets at amortised cost (cont'd.)

**(i) Current (cont'd.)**

**Trade receivables (cont'd.)**

Receivables that are impaired (cont'd.)

The Group's and the Company's trade receivables that are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows: (cont'd.)

| | Company | |
|---|---|---|
| | 2023 RM'000 | 2022 RM'000 |
| Trade receivables – nominal amounts | **69,771** | 68,928 |
| Less: Allowance for impairment | **(69,771)** | (68,928) |
| | **–** | – |
| Movement in allowance accounts: | | |
| At 1 August 2022/2021 | **68,928** | 64,917 |
| Exchange difference | **843** | 4,011 |
| At 31 July | **69,771** | 68,928 |

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that have defaulted in payments. These receivables are not secured by any collateral or credit enhancements.

**(ii) Due from associated companies**

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Current** | | | | |
| Trade | **53,969** | 32,703 | **–** | – |
| Non-trade | **703** | 555 | **151** | 151 |
| | **54,672** | 33,258 | **151** | 151 |

The trade amounts due from associated companies are non-interest bearing and are generally on 30 days (2022: 30 days) terms.

The non-trade amounts due from associated companies are unsecured, interest free and repayable on demand.

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

### (c) Other financial assets at amortised cost (cont'd.)

#### (iii) Due from joint ventures

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Current** | | | | |
| Trade | **109,970** | 264,489 | **104,675** | 222,292 |
| Non-trade | **59,525** | 86,518 | **3,052** | 11,332 |
| | **169,495** | 351,007 | **107,727** | 233,624 |
| **Non-current** | | | | |
| Trade | **2,440** | 44,272 | **244** | – |
| Non-trade | **–** | 13,750 | **–** | – |
| | **2,440** | 58,022 | **244** | – |
| | **171,935** | 409,029 | **107,971** | 233,624 |

**Current**

Included in the trade receivables of the Group and of the Company is an amount of RM104,675,000 (2022: RM222,289,000) due from its 50% owned joint venture, MMC Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel SB"). Tunnel SB is the contractor for the underground works of KVMRT Line 2.

Included in the non-trade receivables of the Group and of the Company are amounts due from joint ventures which are unsecured, interest free and repayable on demand.

Included in the non-trade receivables of the Group represents a loan amounting to RM9,975,000 (2022: RM14,465,000), given to Gamuda GM Klang Sdn. Bhd. ("GMKSB") by Megah Capital Sdn. Bhd., a subsidiary of the Company. The loan is unsecured and repayable within the next 12 months (2022: between 12 to 24 months). The interest of the loan is charged at 5.20% (2022: 5.20%) per annum.

**Non-current**

In the previous financial year, included in the trade receivables of the Group was an amount due from the sale of lands to a joint venture, GMKSB by Gamuda Land (Botanic) Sdn. Bhd., a subsidiary of the Company, amounted RM37,029,000. During the financial year, the transaction was settled by a revocation of the sale of land.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

Other details of fair value of non-current receivables are further disclosed in Note 43 to the financial statements.

The following table analyses the financial assets of the Group and of the Company in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

| Group | Note | Fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | Financial assets at amortised cost RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | |
| Other investments | 20 | **732** | **11,707** | **–** | **12,439** |
| Investment securities | 23 | **861,083** | **146,720** | **–** | **1,007,803** |
| Current receivables | 21(a) | | | | |
| Third parties | | **–** | **–** | **1,505,782** | **1,505,782** |
| Associated companies | | **–** | **–** | **54,672** | **54,672** |
| Joint ventures | | **–** | **–** | **169,495** | **169,495** |
| Retention sums | | **–** | **–** | **156,145** | **156,145** |
| Stakeholder funds | | **–** | **–** | **26,927** | **26,927** |
| Deposits | | **–** | **–** | **107,469** | **107,469** |
| Sundry receivables | | **–** | **–** | **460,454** | **460,454** |
| Non-current receivables | 21(b) | | | | |
| Third parties | | **–** | **–** | **99,560** | **99,560** |
| Joint ventures | | **–** | **–** | **2,440** | **2,440** |
| Retention sums | | **–** | **–** | **17,655** | **17,655** |
| Stakeholder funds | | **–** | **–** | **29,166** | **29,166** |
| Deposits | | **–** | **–** | **14,983** | **14,983** |
| Sundry receivables | | **–** | **–** | **425** | **425** |
| Other financial assets at amortised cost | 21(c) | **–** | **–** | **105,568** | **105,568** |
| Cash and bank balances | 25 | **–** | **–** | **3,169,466** | **3,169,466** |
| **Total financial assets** | | **861,815** | **158,427** | **5,920,207** | **6,940,449** |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

The following table analyses the financial assets of the Group and of the Company in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis: (cont'd.)

| Group | Note | Fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | Financial assets at amortised cost RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| **At 31 July 2022** | | | | | |
| Other investments | 20 | 733 | 7,069 | – | 7,802 |
| Investment securities | 23 | 700,782 | – | – | 700,782 |
| Current receivables | 21(a) | | | | |
| Third parties | | – | – | 972,276 | 972,276 |
| Associated companies | | – | – | 33,258 | 33,258 |
| Joint ventures | | – | – | 351,007 | 351,007 |
| Retention sums | | – | – | 86,712 | 86,712 |
| Stakeholder funds | | – | – | 11,441 | 11,441 |
| Deposits | | – | – | 418,713 | 418,713 |
| Sundry receivables | | – | – | 213,739 | 213,739 |
| Non-current receivables | 21(b) | | | | |
| Third parties | | – | – | 85,169 | 85,169 |
| Joint ventures | | – | – | 58,022 | 58,022 |
| Retention sums | | – | – | 59,930 | 59,930 |
| Deposits | | – | – | 18,063 | 18,063 |
| Other financial assets at amortised cost | 21(c) | – | – | 102,767 | 102,767 |
| Cash and bank balances | 25 | – | – | 2,794,348 | 2,794,348 |
| **Total financial assets** | | 701,515 | 7,069 | 5,205,445 | 5,914,029 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 21. RECEIVABLES AND OTHER FINANCIAL ASSETS (CONT'D.)

The following table analyses the financial assets of the Group and of the Company in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis: (cont'd.)

| Company | Note | Fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | Financial assets at amortised cost RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | |
| Other investments | 20 | **732** | **11,707** | **–** | **12,439** |
| Investment securities | 23 | **771,487** | **146,720** | **–** | **918,207** |
| Current receivables | 21(a) | | | | |
| Third parties | | **–** | **–** | **326,864** | **326,864** |
| Associated companies | | **–** | **–** | **151** | **151** |
| Joint ventures | | **–** | **–** | **107,727** | **107,727** |
| Retention sums | | **–** | **–** | **65,365** | **65,365** |
| Deposits | | **–** | **–** | **34,903** | **34,903** |
| Sundry receivables | | **–** | **–** | **172,766** | **172,766** |
| Non-current receivables | 21(b) | | | | |
| Retention sums | | **–** | **–** | **8,097** | **8,097** |
| Deposits | | **–** | **–** | **760** | **760** |
| Due from subsidiaries | 24 | **–** | **–** | **5,016,140** | **5,016,140** |
| Cash and bank balances | 25 | **–** | **–** | **976,791** | **976,791** |
| **Total financial assets** | | **772,219** | **158,427** | **6,709,564** | **7,640,210** |
| **At 31 July 2022** | | | | | |
| Other investments | 20 | 733 | 7,069 | – | 7,802 |
| Investment securities | 23 | 606,192 | – | – | 606,192 |
| Current receivables | 21(a) | | | | |
| Third parties | | – | – | 289,489 | 289,489 |
| Associated companies | | – | – | 151 | 151 |
| Joint ventures | | – | – | 233,624 | 233,624 |
| Retention sums | | – | – | 62,287 | 62,287 |
| Deposits | | – | – | 4,861 | 4,861 |
| Sundry receivables | | – | – | 160,602 | 160,602 |
| Non-current receivables | 21(b) | | | | |
| Retention sums | | – | – | 7,519 | 7,519 |
| Deposits | | – | – | 5,062 | 5,062 |
| Due from subsidiaries | 24 | – | – | 4,136,151 | 4,136,151 |
| Cash and bank balances | 25 | – | – | 722,856 | 722,856 |
| **Total financial assets** | | 606,925 | 7,069 | 5,622,602 | 6,236,596 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 22. CONTRACT ASSETS/(LIABILITIES)

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Contract assets:** | | | | | |
| Construction | (a) | **1,072,829** | 816,855 | **138,791** | 39,535 |
| Property development | (b) | **2,379,161** | 1,878,792 | **–** | – |
| | | **3,451,990** | 2,695,647 | **138,791** | 39,535 |
| Analysed as: | | | | | |
| Current | | **3,451,990** | 2,695,647 | **138,791** | 39,535 |
| **Contract liabilities:** | | | | | |
| Construction | (a) | **(1,292,804)** | (1,410,490) | **(759,965)** | (1,245,163) |
| Property development | (b) | **(49,002)** | (16,186) | **–** | – |
| Deferred revenue | (c) | **(28,281)** | (24,731) | **–** | – |
| | | **(1,370,087)** | (1,451,407) | **(759,965)** | (1,245,163) |
| Analysed as: | | | | | |
| Current | | **(1,348,519)** | (1,429,921) | **(759,965)** | (1,245,163) |
| Non-current | | **(21,568)** | (21,486) | **–** | – |
| | | **(1,370,087)** | (1,451,407) | **(759,965)** | (1,245,163) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 22. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

### (a) Contract assets/(liabilities) from construction

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Construction contract costs incurred to date | **19,827,565** | 15,351,092 | **11,414,581** | 8,696,618 |
| Recognised profits less recognised losses | **2,251,181** | 1,763,224 | **1,749,565** | 1,361,056 |
| Progress billings received and receivables | **(22,298,721)** | (17,707,951) | **(13,785,320)** | (11,263,302) |
| | **(219,975)** | (593,635) | **(621,174)** | (1,205,628) |
| Represented by: | | | | |
| Contract assets | **1,072,829** | 816,855 | **138,791** | 39,535 |
| Contract liabilities | **(1,292,804)** | (1,410,490) | **(759,965)** | (1,245,163) |
| | **(219,975)** | (593,635) | **(621,174)** | (1,205,628) |
| Analysed as: | | | | |
| Contract assets | | | | |
| Due within 1 year | **1,072,829** | 816,855 | **138,791** | 39,535 |
| Contract liabilities | | | | |
| Due within 1 year | **(1,292,804)** | (1,410,490) | **(759,965)** | (1,245,163) |

The costs incurred to date on construction contracts include the following charges made during the financial year:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Depreciation: | | | | |
| – Property, plant and equipment (Note 12) | **16,877** | 9,026 | **12,337** | 3,050 |
| – Right-of-use assets (Note 15) | **6,622** | 1,930 | **5,595** | 1,930 |
| Staff costs (Note 5) | **200,466** | 119,795 | **142,021** | 67,519 |
| Finance costs (Note 8) | **4,957** | 4,693 | **622** | 31 |
| Short-term leases: | | | | |
| – Rental of premises | **11,874** | 2,354 | **3,707** | 827 |
| – Hire of plant and equipment | **3,114** | 8,139 | **875** | 378 |

Included in contract assets from construction is an amount due from the Government of Socialist Republic of Vietnam ("GOVT") to a subsidiary, Gamuda Land Vietnam Limited Liability Company ("GLVN") amounting to RM201,285,000 (2022: RM201,841,000) which is pending issuance of investment certificates for property development in Hanoi, Vietnam as consideration for the construction works by GLVN.

The directors do not foresee any issue in obtaining the investment certificates and therefore are of the opinion that this amount is recoverable.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 22. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

### (b) Contract assets/(liabilities) from property development

| | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|
| Contract assets | **2,379,161** | 1,878,792 |
| – Accrued billings | **2,337,815** | 1,844,232 |
| – Others | **41,346** | 34,560 |
| Contract liabilities | **(49,002)** | (16,186) |
| – Progress billings | **(47,314)** | (5,755) |
| – Others | **(1,688)** | (10,431) |
| | **2,330,159** | 1,862,606 |

Others relate to consideration payable to customers including rebates and legal fees, are accounted for as a reduction to transaction price and recognised to profit or loss when performance obligations are satisfied.

| | Group 2023 RM'000 | Group 2022 RM'000 |
|---|---|---|
| At beginning of the year | **1,862,606** | 836,882 |
| Consideration payable to customers | **30,829** | 50,548 |
| Revenue recognised during the year | **2,620,978** | 2,528,106 |
| Interest income relating to significant financing component (Note 7) | **330** | 190 |
| Progress billings during the year | **(2,180,966)** | (1,572,340) |
| Exchange differences | **(3,618)** | 19,220 |
| At end of the year | **2,330,159** | 1,862,606 |
| Analysed as: | | |
| Contract assets | | |
| Due within 1 year | **2,379,161** | 1,878,792 |
| Contract liabilities | | |
| Due within 1 year | **(49,002)** | (16,186) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 22. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

### (b) Contract assets/(liabilities) from property development (cont'd.)

**Unsatisfied performance obligations:**

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially satisfied) as at the reporting date, are as follows:

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Within 1 year | **2,557,514** | 1,886,093 |
| Between 1 – 4 years | **428,063** | 324,761 |
| | **2,985,577** | 2,210,854 |

### (c) Contract liabilities from deferred revenue

| | | Group | |
|---|---|---|---|
| | **Note** | **2023 RM'000** | **2022 RM'000** |
| Advance membership | (i) | **(28,281)** | (24,731) |
| | | **(28,281)** | (24,731) |
| Analysed as: | | | |
| Due within 1 year | | **(6,713)** | (3,245) |
| Due after 1 year | | **(21,568)** | (21,486) |
| | | **(28,281)** | (24,731) |

**(i) Advance membership**

Advance membership fees received are in connection with the provision of services by way of sporting and other recreational facilities. The advance membership fees are recognised as income over the tenure of the membership period which expires on 30 November 2066 and 30 September 2070 for Bandar Botanic Resort Berhad and Jade Homes Resort Berhad respectively.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 23. INVESTMENT SECURITIES

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | Carrying amount RM'000 | Fair value of quoted investments RM'000 | Carrying amount RM'000 | Fair value of quoted investments RM'000 |
| **Group** | | | | |
| **Current** | | | | |
| Portfolios: | | | | |
| Held in investment funds placements | | | | |
| – Islamic | **360,095** | **360,095** | 272,388 | 272,388 |
| – Non-Islamic | **226,587** | **226,587** | 398,634 | 398,634 |
| Others | | | | |
| – Islamic | **146,720** | **146,720** | – | – |
| – Non-Islamic | **274,401** | **274,401** | 29,760 | 29,760 |
| | **1,007,803** | **1,007,803** | 700,782 | 700,782 |
| **Company** | | | | |
| **Current** | | | | |
| Portfolios: | | | | |
| Held in investment funds placements | | | | |
| – Islamic | **300,252** | **300,252** | 246,264 | 246,264 |
| – Non-Islamic | **219,358** | **219,358** | 359,928 | 359,928 |
| Others | | | | |
| – Islamic | **146,720** | **146,720** | – | – |
| – Non-Islamic | **251,877** | **251,877** | – | – |
| | **918,207** | **918,207** | 606,192 | 606,192 |

Investment securities represent funds placed with licensed fund managers. The portfolio of securities managed by the fund managers comprise of money market funds, commercial papers, government bonds and fixed deposits. During the financial year, the Company has invested in the Islamic sukuk issued by Amanat Lebuhraya Rakyat Berhad ("ALR"), which undertaking the business of a holding company of the highway concession companies. Their fair values are determined based on the quoted prices from the respective investment funds.

Other details of fair value of investment securities are further disclosed in Note 43 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 24. DUE FROM SUBSIDIARIES

| | Company | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| **Non-current** | | |
| Due from subsidiaries | | |
| – Non-trade | **2,442,591** | 1,150,000 |
| **Current** | | |
| Redeemable unsecured loan stocks ("RULS") | **–** | 900,000 |
| Due from subsidiaries | | |
| – Non-trade | **2,573,549** | 2,086,151 |
| | **2,573,549** | 2,986,151 |
| | **5,016,140** | 4,136,151 |

In the prior year, the RULS was measured at amortised cost using effective interest rates ranging from 5.32% to 5.35% and was repaid on the maturities dates on 22 November 2022 and 16 March 2023. The interest on RULS charged to the subsidiary, Megah Capital Sdn. Bhd. was recognised as interest income arising from subsidiaries, as disclosed in Note 7.

The non-trade amounts due from subsidiaries are unsecured, interest free and are repayable on demand except for advances of RM3,694,017,000 (2022: RM2,775,720,000) given to subsidiaries which bear interest at 3.46% to 6.19% (2022: 2.31% to 5.35%) per annum. The Company expects the amount due from a subsidiary amounting to RM2,442,591,000 (2022: RM1,150,000,000) to be realised only after 12 months from the reporting date. Accordingly, the balance was classified as non-current.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 25. CASH AND BANK BALANCES

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Cash in hand and at banks | | | | |
| – Interest bearing | **1,008,984** | 480,947 | **460,171** | 320,535 |
| – Non-interest bearing | **70,163** | 74,277 | **14,507** | 35,479 |
| Housing Development Accounts: | | | | |
| – Islamic | **603,498** | 245,831 | **–** | – |
| – Non-Islamic | **37,700** | 25,658 | **–** | – |
| | **1,720,345** | 826,713 | **474,678** | 356,014 |
| Deposits with licensed banks with | | | | |
| – Tenures of less than 3 months | | | | |
| – Islamic | **385,977** | 176,083 | **73,500** | 24,463 |
| – Non-Islamic | **724,264** | 695,654 | **176,576** | 342,379 |
| – Tenures of more than 3 months | | | | |
| – Islamic | **6,122** | 6,069 | **–** | – |
| – Non-Islamic | **332,758** | 1,089,829 | **252,037** | – |
| Total cash and bank balances | **3,169,466** | 2,794,348 | **976,791** | 722,856 |

In the previous financial year, cash and bank balances in relation to Kesas Holdings Berhad and Kesas Sdn. Bhd. were classified as assets held for sale as disclosed in Note 47.

For the purpose of statements of cash flows, cash and cash equivalents comprise the following as at reporting date:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Total cash and bank balances | **3,169,466** | 2,794,348 | **976,791** | 722,856 |
| Cash and bank balances classified as assets held for sale (Note 47) | **–** | 277,884 | **–** | – |
| Less: Deposits with tenures of more than 3 months | **(338,880)** | (1,095,898) | **(252,037)** | – |
| Less: Deposits with tenures of more than 3 months classified as assets held for sale | **–** | (67,900) | **–** | – |
| Total cash and cash equivalents | **2,830,586** | 1,908,434 | **724,754** | 722,856 |

Included in total cash and bank balances of the Group and of the Company are interest bearing balances amounting to RM3,099,303,000 (2022: RM2,720,071,000) and RM962,284,000 (2022: RM687,377,000) respectively.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 25. CASH AND BANK BALANCES (CONT'D.)

Housing Development Accounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore, restricted from use in other operations.

The weighted average effective interest rates of deposits as at reporting date were as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 %** | **2022 %** | **2023 %** | **2022 %** |
| Licensed banks: | | | | |
| Malaysia | **2.54** | 1.98 | **2.77** | 2.05 |
| India | **7.00** | 5.06 | **–** | – |
| Australia | **4.51** | 1.73 | **4.51** | 1.75 |
| Singapore | **3.53** | 1.30 | **–** | – |
| Vietnam | **7.38** | 4.73 | **–** | – |

The range of maturities of deposits as at reporting date were as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 Days** | **2022 Days** | **2023 Days** | **2022 Days** |
| Licensed banks | **1 – 366** | 3 – 396 | **1 – 213** | 3 – 64 |

## 26. SHARE CAPITAL

| | Number of ordinary shares | | Group/Company | |
|---|---|---|---|---|
| | **2023 '000** | **2022 '000** | **2023 RM'000** | **2022 RM'000** |
| **Issued and fully paid:** | | | | |
| At 1 August 2022/2021 | **2,553,931** | 2,513,529 | **3,723,168** | 3,620,950 |
| Exercise of ESOS | **35,874** | – | **98,300** | – |
| Issuance on dividend reinvestment plan | **72,931** | 40,402 | **243,071** | 102,218 |
| Share options exercised under ESOS | **–** | – | **13,592** | – |
| At 31 July | **2,662,736** | 2,553,931 | **4,078,131** | 3,723,168 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(a) Under Companies Act 2016 in Malaysia, which came into effect on 31 January 2017, the concept of authorised share capital is no longer applicable.

(b) In accordance with Section 74 of the Companies Act 2016 in Malaysia, the Company's shares no longer have a par or nominal value with effect from 31 January 2017.

Pursuant to Section 618 of the Companies Act 2016 in Malaysia, the amount standing to the credit of the Company's share premium account of RM997,407,000 became part of the Company's share capital. There is no impact on the number of shares in issue or the relative entitlement of any members of the Company as a result of this transition.

## 26. SHARE CAPITAL (CONT'D.)

(c) During the financial year, the Company increased its issued and paid-up share capital from RM3,723,168,000 to RM4,078,131,000 by way of issuance of:

(i) issuance of 37,138,423 new ordinary shares pursuant to the dividend reinvestment plan at the price of RM3.22 per ordinary share; and

(ii) issuance of 35,792,794 new ordinary shares pursuant to the dividend reinvestment plan at the price of RM3.45 per ordinary share.

(iii) issuance of 35,873,900 new ordinary shares for cash arising from the exercise of share options under the Company's ESOS;

(d) The Gamuda Berhad Employees' Share Option Scheme ("ESOS") was approved by the shareholders at the Extraordinary General Meeting held on 8 December 2021 and became effective on 9 December 2021. With effect from 9 December 2021, the Company issued options under the new ESOS for the eligible executive directors and employees of Gamuda Berhad and its subsidiaries. The ESOS will be expired on 31 January 2027 and balance unexercised will be lapsed.

The principal features of the ESOS were as follows:

(i) Full-time and confirmed employees within Gamuda Group and executive directors of Gamuda ("eligible person") are eligible to participate in the ESOS. Participation, however, is subject to the discretion of the ESOS Committee.

(ii) The ESOS shall be in force until 31 January 2027, subject however to any extension of the ESOS. On or before the date of expiry, the Board shall have the discretion, without having to obtain approval of the Company's shareholders, to extend the duration of the ESOS provided that the initial period of the ESOS and such extension of the ESOS shall not in aggregate exceed the duration of 10 years from the effective date of the ESOS.

(iii) The aggregate maximum number of shares which may be made available under the scheme shall not in aggregate exceed 10% of the total number of issued shares (e at any point of time during the duration of the scheme.

(iv) The exercise price for the new shares under the ESOS shall be the volume weighted average market price of the shares as quoted on the main market of Bursa Malaysia Securities Berhad for the 5 market days immediately preceding the award date, without any discount being recorded.

(v) The aggregate number of shares to be offered to an eligible person shall be determined at the discretion of the ESOS Committee after taking into consideration, amongst others, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the duration of the scheme and after taking into consideration the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Person or such other matters which the ESOS Committee may in its sole and absolute discretion deem fit.

(vi) The number of shares comprised in the ESOS options which remained unexercised or the exercise prices or both may be adjusted following any alteration in the capital structure of the Company during the duration of the scheme, whether by way of rights issue, bonus issue or capitalisation of profit or reserves, consolidation or subdivision of shares or reduction or any other alteration in the capital structure of the Company or otherwise howsoever taking place.

(vii) The options shall not carry any right to vote at any general meeting of the Company and a grantee shall not be entitled to any dividends, right or other entitlements on his unexercised options.

(viii) The options granted under ESOS are not assignable.

(ix) A Grantee shall be allowed to exercise the options granted to him/her at any point of time within the option period.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 26. SHARE CAPITAL (CONT'D.)

(d) The principal features of the ESOS were as follows: (cont'd.)

(x) The new shares allotted and issued upon any exercise of the options shall rank pari passu in all respects with the existing issued shares of the Company, save and except that the shares so allotted and issued will not be entitled to any dividend, right, allotment or other distributions, which may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new shares.

(xi) Options to subscribe for ordinary shares under the ESOS were granted on the following dates:

| Grant date | Exercise price RM | Number of options '000 | Exercise period |
|---|---|---|---|
| 9 December 2021 | 2.85/2.55* | 183,551 | 9 December 2021 – 31 January 2027 |
| 24 January 2022 | 2.83/2.53* | 10,678 | 24 January 2022 – 31 January 2027 |
| 5 August 2022 | 3.74/3.35* | 30,123 | 5 August 2022 – 31 January 2027 |
| 22 February 2023 | 3.94 | 21,289 | 22 February 2023 – 31 January 2027 |
| | | 245,641 | |

* *Exercise price were adjusted in accordance with the Company's ESOS By-laws pursuant to the distribution on special dividend effective on 14 December 2022.*

(e) Breakdown of aggregate proceeds received from share options exercised during the financial year and the fair value, at exercise date, of ordinary shares issued are as follows:

| | 2023 '000 | 2022 '000 |
|---|---|---|
| Aggregate proceeds received on shares issued | **98,300** | – |
| Aggregate fair value of ordinary shares at exercise date | **137,818** | – |

(f) The number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year are as follows:

| | Number of share options | Movement during the year | | |
|---|---|---|---|---|
| ESOS exercise price | Outstanding and exercisable at 1 August 2022 '000 | Granted '000 | Exercised '000 | Outstanding and exercisable at 31 July 2023 '000 |
| RM2.85/RM2.55* | 180,472 | 3,079 | (34,464) | **149,087** |
| RM2.83/RM2.53* | 10,678 | – | (1,410) | **9,268** |
| RM3.74/RM3.35* | – | 30,123 | – | **30,123** |
| RM3.94 | – | 21,289 | – | **21,289** |
| | 191,150 | 54,491 | (35,874) | **209,767** |
| WAEP | 2.85 | 3.54 | 2.55 | **2.81** |

* *Exercise price were adjusted in accordance with the Company's ESOS By-laws pursuant to the distribution on special dividend effective on 14 December 2022.*

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 26. SHARE CAPITAL (CONT'D.)

(g) Fair value of share options granted

The fair value of the share options granted under the ESOS is estimated at grant date using a binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted. During the financial year, modification made to the share options is the price adjustment in accordance with the Company's ESOS By-laws pursuant to the distribution on special dividend effective on 14 December 2022.

The fair value of share options measured at the respective date and the assumptions are as follows:

| | ESOS | | | |
|---|---|---|---|---|
| **BATCH** | **1** | **2** | **3** | **4** |
| Exercise price of ESOS at grant dates (RM) | 2.85 | 2.83 | 3.74 | 3.94 |
| Fair value of share options, at the following expiry dates (RM) | | | | |
| – 31 January 2024 | 0.470 | 0.393 | 0.496 | – |
| – 31 January 2025 | 0.511 | 0.441 | 0.581 | – |
| – 31 January 2026 | 0.546 | 0.474 | 0.629 | 0.691 |
| – 31 January 2027 | 0.555 | 0.494 | 0.661 | 0.726 |
| Effect of modification on 14 December 2022 to fair value of share options (RM) | | | | |
| – 31 January 2024 | 0.234 | 0.243 | 0.136 | – |
| – 31 January 2025 | 0.225 | 0.237 | 0.102 | – |
| – 31 January 2026 | 0.221 | 0.235 | 0.082 | – |
| – 31 January 2027 | 0.218 | 0.233 | 0.069 | – |
| Expected volatility | | | | |
| – Grant date | 30.00% | 30.00% | 30.00% | 30.00% |
| – Modification date: 14 December 2022 | 30.00% | 30.00% | 30.00% | – |
| Risk free rate, at the following expiry dates | | | | |
| – 31 January 2024 | 2.07% | 2.28% | 3.21% | – |
| – 31 January 2025 | 2.34% | 2.62% | 3.29% | – |
| – 31 January 2026 | 2.53% | 2.79% | 3.69% | 3.28% |
| – 31 January 2027 | 2.66% | 2.93% | 3.74% | 3.33% |
| Effect of modification on 14 December 2022 to risk free rate | | | | |
| – 31 January 2024 | 2.77% | 2.77% | 3.10% | – |
| – 31 January 2025 | 2.77% | 2.77% | 3.33% | – |
| – 31 January 2026 | 2.77% | 2.77% | 3.48% | – |
| – 31 January 2027 | 2.77% | 2.77% | 3.61% | – |
| Expected dividend yield# | 2.50% | 2.50% | 2.50% | 2.50% |

The expected volatility is based on historical data and is not necessarily indicative of exercise patterns that may occur.

*# Expected dividend yield is assumed on the expected term of the options as at grant dates.*

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 27. OTHER RESERVES (NON-DISTRIBUTABLE)

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Foreign exchange reserve** | | | | |
| At 1 August | **337,010** | 222,622 | **7,726** | 7,063 |
| Foreign currency translation | **(48,319)** | 114,276 | **(5,111)** | 663 |
| Share of associated companies foreign currency translation | **(2,324)** | (978) | **–** | – |
| Non-controlling interests | **785** | 1,090 | **–** | – |
| At 31 July | **287,152** | 337,010 | **2,615** | 7,726 |

### (i) Foreign exchange reserve

This reserve represents the foreign currency translation differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

## 28. RETAINED PROFITS

The Company may distribute dividends out of its entire retained earnings under the single tier system.

## 29. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its employees. Under the Scheme, eligible employees are entitled to retirement benefits of 2.5% on the last drawn monthly basic salary for each completed months of services on attainment of the retirement age of 60.

The amounts recognised in the statements of financial position are determined as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Present value of unfunded defined benefit obligations, representing net liability | **49,082** | 42,139 | **5,961** | 5,540 |
| Analysed as: | | | | |
| Current (Note 30(b)) | **2,114** | 1,087 | **231** | – |
| Non-current: | | | | |
| More than one year and less than two years | **1,571** | 1,832 | **379** | 334 |
| More than two years and less than five years | **7,168** | 5,143 | **1,903** | 1,202 |
| Five years or more | **38,229** | 34,077 | **3,448** | 4,004 |
| Amount included in payables (Note 30(a)) | **46,968** | 41,052 | **5,730** | 5,540 |
| Total | **49,082** | 42,139 | **5,961** | 5,540 |

The amounts recognised in profit or loss are determined as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Continuing operations:** | | | | |
| Current service cost | **3,970** | 3,674 | **499** | 460 |
| Interest cost | **1,364** | 1,835 | **(131)** | 233 |
| Total, included in staff costs (Note 5) | **5,334** | 5,509 | **368** | 693 |
| **Discontinued operations:** | | | | |
| Current service cost | **–** | 193 | **–** | – |
| Interest cost | **–** | 102 | **–** | – |
| Total | **–** | 295 | **–** | – |
| **Total** | **5,334** | 5,804 | **368** | 693 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 29. RETIREMENT BENEFIT OBLIGATIONS (CONT'D.)

Movements in the net liabilities in the current year were as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| At 1 August 2022/2021 | **42,139** | 44,227 | **5,540** | 5,215 |
| Recognised in profit or loss | **5,334** | 5,804 | **368** | 693 |
| Effect of re-measurement loss/(gain) in other comprehensive income | **3,648** | (3,767) | **217** | (368) |
| Contributions paid | **(2,007)** | (1,795) | **(164)** | – |
| Exchange differences | **(32)** | 21 | **–** | – |
| | **49,082** | 44,490 | **5,961** | 5,540 |
| Liabilities directly associated with the assets held for sale | **–** | (2,351) | **–** | – |
| At 31 July | **49,082** | 42,139 | **5,961** | 5,540 |

The sensitivity analysis on the present value of the retirement benefit obligations below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

| Group | Increase/ (decrease) | 2023 RM'000 | Increase/ (decrease) | 2022 RM'000 |
|---|---|---|---|---|
| Discount rate | **+1%** | **(5,445)** | +1% | (5,283) |
| | **-1%** | **6,500** | -1% | 6,307 |
| Expected rate of salary | **+1%** | **6,742** | +1% | 6,653 |
| | **-1%** | **(5,703)** | -1% | (5,664) |

Principal actuarial assumptions used:

| | **2023 %** | **2022 %** |
|---|---|---|
| Discount rate | **4.7** | 5.2 |
| Expected rate of salary increases | **6.0 – 10.0** | 6.0 – 10.0 |

The average duration of the defined benefit plan obligation at the end of the reporting year is 12 years (2022: 12 years).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 30. PAYABLES

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Non-current payables** | (a) | | | | |
| Trade | | **137,388** | 144,863 | **21,867** | 42,363 |
| Non-trade | | **88,258** | 57,977 | **12,187** | 7,277 |
| | | **225,646** | 202,840 | **34,054** | 49,640 |
| **Current payables** | (b) | | | | |
| Trade | | **2,544,808** | 1,970,735 | **799,549** | 443,688 |
| Non-trade | | **1,168,178** | 695,846 | **310,216** | 226,655 |
| | | **3,712,986** | 2,666,581 | **1,109,765** | 670,343 |
| **Total payables** | | **3,938,632** | 2,869,421 | **1,143,819** | 719,983 |
| **(a) Non-current payables** | | | | | |
| **Trade** | | | | | |
| Trade payables | | **–** | 788 | **–** | 6 |
| Retention sums | | **137,388** | 143,980 | **21,867** | 42,357 |
| Accruals | | **–** | 95 | **–** | – |
| | | **137,388** | 144,863 | **21,867** | 42,363 |
| **Non-trade** | | | | | |
| Retirement benefit obligations (Note 29) | | **46,968** | 41,052 | **5,730** | 5,540 |
| Lease liabilities (Note 31) | | **28,923** | 5,819 | **6,457** | 1,737 |
| Sundry payables | | **2,135** | 2,615 | **–** | – |
| Accruals | | **10,232** | 8,491 | **–** | – |
| | | **88,258** | 57,977 | **12,187** | 7,277 |
| | | **225,646** | 202,840 | **34,054** | 49,640 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 30. PAYABLES (CONT'D.)

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **(b) Current payables** | | | | |
| **Trade** | | | | |
| Trade payables | **945,618** | 432,310 | **355,695** | 126,403 |
| Associated company | **–** | 750 | **–** | – |
| Retention sums | **252,521** | 201,543 | **49,502** | 48,147 |
| Advances received on contracts | **229,062** | 188,921 | **254,404** | 174,232 |
| Accruals | **1,117,607** | 1,147,211 | **139,948** | 94,906 |
| | **2,544,808** | 1,970,735 | **799,549** | 443,688 |
| **Non-trade** | | | | |
| Associated companies | **5,216** | 5,002 | **–** | – |
| Retirement benefit obligations (Note 29) | **2,114** | 1,087 | **231** | – |
| Lease liabilities (Note 31) | **19,791** | 4,587 | **8,735** | 1,350 |
| Sundry payables | **372,784** | 318,456 | **56,964** | 22,223 |
| Dividend payables | **159,804** | 153,236 | **159,804** | 153,236 |
| Accruals | **608,469** | 213,478 | **84,482** | 49,846 |
| | **1,168,178** | 695,846 | **310,216** | 226,655 |
| | **3,712,986** | 2,666,581 | **1,109,765** | 670,343 |

The normal trade credit term granted to the Group and the Company ranges from 30 to 90 days (2022: 30 to 90 days) other than retention sums which are due after 12 months.

The amounts due to associated companies are unsecured, interest free and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 30. PAYABLES (CONT'D.)

The following table analyses the financial liabilities of the Group and of the Company in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis.

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Financial liabilities at amortised costs** | | | | | |
| Current payables | 30(b) | | | | |
| Trade payables | | **945,618** | 432,310 | **355,695** | 126,403 |
| Associated companies | | **5,216** | 5,752 | **–** | – |
| Retention sums | | **252,521** | 201,543 | **49,502** | 48,147 |
| Advances received on contracts | | **229,062** | 188,921 | **254,404** | 174,232 |
| Sundry payables | | **372,784** | 318,456 | **56,964** | 22,223 |
| Dividend payables | | **159,804** | 153,236 | **159,804** | 153,236 |
| Accruals and provisions | | **1,726,076** | 1,360,689 | **224,430** | 144,752 |
| Lease liabilities | 31 | **19,791** | 4,587 | **8,735** | 1,350 |
| Non-current payables | 30(a) | | | | |
| Trade payables | | **–** | 788 | **–** | 6 |
| Retention sums | | **137,388** | 143,980 | **21,867** | 42,357 |
| Sundry payables | | **2,135** | 2,615 | **–** | – |
| Accruals | | **10,232** | 8,586 | **–** | – |
| Lease liabilities | 31 | **28,923** | 5,819 | **6,457** | 1,737 |
| Islamic debts | 33 | **3,185,150** | 2,958,902 | **1,885,150** | 1,758,902 |
| Conventional debts | 34 | **2,775,529** | 1,416,127 | **1,992,160** | 554,284 |
| Due to subsidiaries | 36 | **–** | – | **183,512** | 109,548 |
| | | **9,850,229** | 7,202,311 | **5,198,680** | 3,137,177 |
| **Financial liabilities at FVTPL** | | | | | |
| Conventional debts | 34 | **963,017** | 405,035 | **–** | – |

## 31. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movements during the year is as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| At 1 August 2022/2021 | **10,406** | 10,727 | **3,087** | 682 |
| Additions | **51,636** | 5,301 | **19,731** | 4,159 |
| Interest expense (Note 8) | **1,557** | 402 | **916** | 69 |
| Payment made during the year | **(14,809)** | (6,113) | **(8,520)** | (1,831) |
| Exchange differences | **(76)** | 89 | **(22)** | 8 |
| At 31 July | **48,714** | 10,406 | **15,192** | 3,087 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 31. LEASE LIABILITIES

Lease liabilities are analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Current (Note 30(b)) | **19,791** | 4,587 | **8,735** | 1,350 |
| Non-current (Note 30(a)) | **28,923** | 5,819 | **6,457** | 1,737 |
| | **48,714** | 10,406 | **15,192** | 3,087 |

The lease liabilities are analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Not more than 1 year | **21,768** | 4,587 | **9,595** | 1,350 |
| Later than 1 year but not later than 2 years | **19,563** | 4,912 | **6,858** | 1,029 |
| Later than 2 years but not later than 5 years | **11,391** | 1,309 | **408** | 777 |
| Later than 5 years | **764** | – | **–** | – |
| Undiscounted lease liabilities | **53,486** | 10,808 | **16,861** | 3,156 |
| Less: Unexpired finance charges | **(4,772)** | (402) | **(1,669)** | (69) |
| Discounted lease liabilities | **48,714** | 10,406 | **15,192** | 3,087 |

The incremental borrowing rate to measure lease liabilities is 4.7% (2022: 4.3%) per annum.

The remaining maturities of the lease liabilities are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Not more than 1 year | **19,791** | 4,587 | **8,735** | 1,350 |
| Later than 1 year but not later than 2 years | **17,413** | 4,912 | **6,068** | 1,028 |
| Later than 2 years but not later than 5 years | **10,756** | 907 | **389** | 709 |
| Later than 5 years | **754** | – | **–** | – |
| | **48,714** | 10,406 | **15,192** | 3,087 |

The Group and the Company have total cash outflows from leases of RM24,370,000 (2022: RM13,782,000) and RM9,804,000 (2022: RM3,519,000) respectively.

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Total cash outflow for leases** | | | | |
| Payment of lease liabilities | **(14,809)** | (6,113) | **(8,520)** | (1,831) |
| Payment of short-term leases (Note 7) | **(8,709)** | (7,466) | **(1,247)** | (1,681) |
| Payment of low value assets (Note 7) | **(852)** | (203) | **(37)** | (7) |
| | **(24,370)** | (13,782) | **(9,804)** | (3,519) |

## 32. DEFERRED TAX LIABILITIES/(ASSETS)

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2023 RM'000** | **2023 RM'000** | **2023 RM'000** |
| At 1 August 2022/2021 | **40,065** | 238,379 | **(5,693)** | (6,520) |
| Deferred tax acquired in business combination | **3,586** | – | **–** | – |
| Recognised in profit or loss | **(17,842)** | 4,350 | **(4,842)** | 720 |
| Recognised in other comprehensive income | **(100)** | 163 | **(53)** | 88 |
| Exchange differences | **(520)** | 1,822 | **(6)** | 19 |
| At 31 July | **25,189** | 244,714 | **(10,594)** | (5,693) |
| Less: Liabilities directly associated with the assets held for sale | **–** | (204,649) | **–** | – |
| | **25,189** | 40,065 | **(10,594)** | (5,693) |
| Presented after appropriate offsetting as follows: | | | | |
| Deferred tax assets | **(135,616)** | (72,890) | **(10,594)** | (5,693) |
| Less: Assets held for sale | **–** | 8,644 | **–** | – |
| | **(135,616)** | (64,246) | **(10,594)** | (5,693) |
| Deferred tax liabilities | **160,805** | 317,604 | **–** | – |
| Less: Liabilities directly associated with the assets held for sale | **–** | (213,293) | **–** | – |
| | **160,805** | 104,311 | **–** | – |
| | **25,189** | 40,065 | **(10,594)** | (5,693) |

The Group's deferred tax liabilities/(assets) recognised in profit or loss is analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| **Recognised in income statement (Note 9)** | | | | |
| – Continuing operations | **(17,842)** | 34,897 | **(4,842)** | 720 |
| – Discontinued operations | **–** | (30,547) | **–** | – |
| | **(17,842)** | 4,350 | **(4,842)** | 720 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 32. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

### Deferred tax liabilities of the Group:

| | Property development profit RM'000 | Accelerated capital allowances RM'000 | Fair value adjustment on business combination RM'000 | Fair value adjustment on expressway development expenditure RM'000 | Land RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| At 1 August 2022 | **159,292** | **11,454** | **–** | **–** | **15** | **170,761** |
| Deferred tax arising from business acquisition | **–** | **–** | **3,586** | **–** | **–** | **3,586** |
| Recognised in profit or loss | **27,663** | **2,369** | **–** | **–** | **–** | **30,032** |
| Exchange differences | **(315)** | **(27)** | **–** | **–** | **–** | **(342)** |
| At 31 July 2023 | **186,640** | **13,796** | **3,586** | **–** | **15** | **204,037** |
| At 1 August 2021 | 164,521 | 164,428 | – | 89,303 | – | 418,252 |
| Recognised in profit or loss | (10,855) | (1,578) | – | (27,437) | 15 | (39,855) |
| Exchange differences | 5,626 | 31 | – | – | – | 5,657 |
| | 159,292 | 162,881 | – | 61,866 | 15 | 384,054 |
| Less: Liabilities directly associated with the assets held for sale | – | (151,427) | – | (61,866) | – | (213,293) |
| At 31 July 2022 | 159,292 | 11,454 | – | – | 15 | 170,761 |

### Deferred tax assets of the Group:

| | Unutilised tax losses RM'000 | Unutilised capital allowances RM'000 | Retirement benefit obligations RM'000 | Provisions and accruals RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| At 1 August 2022 | **(21,942)** | **(10,682)** | **(4,661)** | **(93,411)** | **(130,696)** |
| Recognised in profit or loss | **(10,732)** | **(4,902)** | **278** | **(32,518)** | **(47,874)** |
| Recognised in other comprehensive income | **–** | **–** | **(100)** | **–** | **(100)** |
| Exchange differences | **(110)** | **(304)** | **223** | **13** | **(178)** |
| At 31 July 2023 | **(32,784)** | **(15,888)** | **(4,260)** | **(125,916)** | **(178,848)** |
| At 1 August 2021 | (20,323) | (9,887) | (3,746) | (145,917) | (179,873) |
| Recognised in profit or loss | (1,619) | (795) | (231) | 46,850 | 44,205 |
| Recognised in other comprehensive income | – | – | 163 | – | 163 |
| Exchange differences | – | – | (1,329) | (2,506) | (3,835) |
| | (21,942) | (10,682) | (5,143) | (101,573) | (139,340) |
| Less: Assets held for sale | – | – | 482 | 8,162 | 8,644 |
| At 31 July 2022 | (21,942) | (10,682) | (4,661) | (93,411) | (130,696) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 32. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (cont'd.)

### Deferred tax liabilities of the Company:

| | Receivables RM'000 | Accelerated capital allowances RM'000 | Total RM'000 |
|---|---|---|---|
| At 1 August 2022 | **–** | **8,353** | **8,353** |
| Recognised in profit or loss | **749** | **(195)** | **554** |
| Exchange differences | **(19)** | **–** | **(19)** |
| At 31 July 2023 | **730** | **8,158** | **8,888** |
| At 1 August 2021 | – | 7,926 | 7,926 |
| Recognised in profit or loss | – | 427 | 427 |
| At 31 July 2022 | – | 8,353 | 8,353 |

### Deferred tax assets of the Company:

| | Unutilised tax losses RM'000 | Unutilised capital allowances RM'000 | Retirement benefit obligations RM'000 | Provisions and accruals RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| At 1 August 2022 | **(3,291)** | **(8,287)** | **(1,329)** | **(1,139)** | **(14,046)** |
| Recognised in profit or loss | **–** | **(681)** | **(100)** | **(4,615)** | **(5,396)** |
| Recognised in other comprehensive income | **–** | **–** | **(53)** | **–** | **(53)** |
| Exchange differences | **–** | **–** | **–** | **13** | **13** |
| At 31 July 2023 | **(3,291)** | **(8,968)** | **(1,482)** | **(5,741)** | **(19,482)** |
| At 1 August 2021 | (3,291) | (7,714) | (1,251) | (2,190) | (14,446) |
| Recognised in profit or loss | – | (573) | (166) | 1,031 | 292 |
| Recognised in other comprehensive income | – | – | 88 | – | 88 |
| Exchange differences | – | – | – | 20 | 20 |
| At 31 July 2022 | (3,291) | (8,287) | (1,329) | (1,139) | (14,046) |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 32. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

Deferred tax assets have not been recognised in respect of the following items:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Unutilised tax losses | **269,957** | 431,805 | **78,009** | 143,702 |
| Unutilised investment tax allowances | **389,322** | 389,322 | **–** | – |
| Unabsorbed capital allowances | **214,004** | 201,544 | **–** | – |
| Other deductible temporary differences | **92,494** | 32,727 | **–** | – |
| | **965,777** | 1,055,398 | **78,009** | 143,702 |

Year of expiry is analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Unutilised tax losses | | | | |
| Indefinite | **78,009** | 143,702 | **78,009** | 143,702 |
| Expired by 2028 | **–** | 10,706 | **–** | – |
| Expired by 2029 | **–** | 54,948 | **–** | – |
| Expired by 2030 | **99,433** | 129,937 | **–** | – |
| Expired by 2031 | **49,657** | 49,657 | **–** | – |
| Expired by 2032 | **42,855** | 42,855 | **–** | – |
| Expired by 2033 | **3** | – | **–** | – |
| | **269,957** | 431,805 | **78,009** | 143,702 |
| Indefinite | | | | |
| Unutilised investment tax allowances | **389,322** | 389,322 | **–** | – |
| Unabsorbed capital allowances | **214,004** | 201,544 | **–** | – |
| Other deductible temporary differences | **92,494** | 32,727 | **–** | – |
| | **695,820** | 623,593 | **–** | – |
| Total | **965,777** | 1,055,398 | **78,009** | 143,702 |

The availability of the unutilised tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group are subject to no substantial changes in shareholdings of the respective companies under the Income Tax Act, 1967, and guidelines issued by the tax authority.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 imposed a time limitation to restrict the carry forward of the unutilised tax losses to a maximum period of 7 consecutive Year of Assessment ("YA"), effective YA 2019.

Based on the Malaysia Finance Act 2021, gazetted on 31 December 2021, the time limit for the carry forward of the unutilised tax losses has been extended from 7 years to 10 years. As a result of this change, the unutilised tax losses accumulated up to the YA 2018 are allowed to be carried forward for 10 consecutive years of assessment. Any balance of the unutilised tax losses thereafter shall be disregarded.

The unutilised tax losses in Singapore and Australia, subject to certain conditions, could be carried forward indefinitely to offset against their future taxable income.

Deferred tax assets have not been recognised in respect of the above items as it is not probable that future taxable profits will be available in the Company and certain subsidiaries against which the Group can utilise the benefits.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 33. ISLAMIC DEBTS

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Non-current** | | | | | |
| Medium term notes | | | | | |
| – Unsecured | (a) | **2,650,000** | 1,950,000 | **1,650,000** | 850,000 |
| **Current** | | | | | |
| Medium term notes | | | | | |
| – Unsecured | (a) | **200,000** | 900,000 | **100,000** | 900,000 |
| Commercial papers | | | | | |
| – Unsecured | | **200,000** | 100,000 | **–** | – |
| Revolving credit | | | | | |
| – Unsecured | | **135,150** | 8,902 | **135,150** | 8,902 |
| | | **535,150** | 1,008,902 | **235,150** | 908,902 |
| Total Islamic debts (Note 30) | | **3,185,150** | 2,958,902 | **1,885,150** | 1,758,902 |

### Medium term notes ("MTNs")

The MTNs are drawdown by:

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Gamuda Berhad | (a)(i) | **1,750,000** | 1,750,000 | **1,750,000** | 1,750,000 |
| Gamuda Land (T12) Sdn. Bhd. | (a)(ii) | **1,000,000** | 1,000,000 | **–** | – |
| Bandar Serai Development Sdn. Bhd. ("Bandar Serai") | (a)(iii) | **100,000** | 100,000 | **–** | – |
| | | **2,850,000** | 2,850,000 | **1,750,000** | 1,750,000 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 33. ISLAMIC DEBTS (CONT'D.)

### Medium term notes ("MTNs") (cont'd.)

In the previous financial year, Islamic debts of Kesas Sdn. Bhd. was classified as liabilities directly associated with the assets held for sale as disclosed in Note 47 pursuant to the Disposals as disclosed in Note 42. Further details of the Medium term notes are as follows:

**(a) Murabahah MTN – unsecured**

**(i) Gamuda Berhad**

| | Amount drawdown RM'000 | Issuance date | Maturity date | Remaining tenure (years) | Issuance tenure (years) | Yield at issuance date % |
|---|---|---|---|---|---|---|
| **Current** | | | | | | |
| Issue No.11 | **100,000** | 27.11.2018 | 27.11.2023 | 0.3 | 5 | 4.79 |
| **Non-current** | | | | | | |
| Issue No.12 | **200,000** | 18.11.2019 | 18.11.2026 | 3.3 | 7 | 4.12 |
| Issue No.13 | **300,000** | 18.11.2019 | 16.11.2029 | 6.3 | 10 | 4.26 |
| Issue No.15 | **250,000** | 29.06.2020 | 28.06.2030 | 6.9 | 10 | 4.10 |
| Issue No.16 | **250,000** | 20.06.2023 | 20.06.2028 | 4.9 | 5 | 4.20 |
| Issue No.17 | **250,000** | 20.06.2023 | 20.06.2030 | 6.9 | 7 | 4.31 |
| Issue No.18 | **400,000** | 20.06.2023 | 20.06.2033 | 9.9 | 10 | 4.40 |
| | **1,750,000** | | | | | |

Issue No.1 to No.10 and No.14 were redeemed upon maturity in previous years.

**(ii) Gamuda Land (T12) Sdn. Bhd.**

| | Amount drawdown RM'000 | Issuance date | Maturity date | Remaining tenure (years) | Issuance tenure (years) | Yield at issuance date % |
|---|---|---|---|---|---|---|
| **Non-current** | | | | | | |
| Series No.1 | **150,000** | 12.08.2020 | 12.08.2025 | 2.0 | 5 | 3.55 |
| Series No.1 | **150,000** | 11.10.2021 | 11.10.2027 | 4.2 | 6 | 4.20 |
| Series No.2 | **200,000** | 12.08.2020 | 12.08.2027 | 4.0 | 7 | 3.75 |
| Series No.2 | **250,000** | 11.10.2021 | 11.10.2028 | 5.2 | 7 | 4.40 |
| Series No.3 | **250,000** | 12.08.2020 | 12.08.2030 | 7.0 | 10 | 3.90 |
| | **1,000,000** | | | | | |

The Islamic MTNs of RM1,000,000,000 were drawdown by Gamuda Land (T12), a subsidiary of the Company for the purpose of land acquisition and capital expenditure. The facilities are unconditionally guaranteed by the Company.

**(iii) Bandar Serai**

| | Amount drawdown RM'000 | Issuance date | Maturity date | Remaining tenure (years) | Issuance tenure (years) | Yield at issuance date % |
|---|---|---|---|---|---|---|
| **Current** | | | | | | |
| Tranche No.3 | **100,000** | 28.08.2018 | 28.08.2023 | 0.1 | 5 | 4.69 |

The Islamic MTNs were drawdown by Bandar Serai, a subsidiary of the Company for the purpose of financing the acquisition of leasehold land for Gamuda Gardens project in Rawang, Selangor. The facilities are unconditionally guaranteed by the Company.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 33. ISLAMIC DEBTS (CONT'D.)

### Medium term notes ("MTNs") (cont'd.)

The weighted average effective interest rates for long term and short term borrowings (per annum) as at reporting date are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 % | 2022 % | 2023 % | 2022 % |
| MTNs | **4.19** | 4.50 | **4.28** | 4.53 |
| Commercial papers | **3.54** | 2.93 | **–** | – |
| Revolving credit | **6.26** | 3.23 | **6.26** | 3.23 |

## 34. CONVENTIONAL DEBTS

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Non-current** | | | | | |
| Term loans | | | | | |
| – secured | (a) | **206,840** | 193,977 | **–** | – |
| – unsecured | (b) | **2,657,197** | 1,083,610 | **1,389,680** | 300,000 |
| | | **2,864,037** | 1,277,587 | **1,389,680** | 300,000 |
| Revolving credits | | | | | |
| – secured | (c) | **–** | 3,140 | **–** | – |
| | | **2,864,037** | 1,280,727 | **1,389,680** | 300,000 |
| **Current** | | | | | |
| **Secured** | | | | | |
| Term loans | (a) | **50,004** | 122,273 | **–** | – |
| Revolving credits | (c) | **–** | 4,879 | **–** | – |
| | | **50,004** | 127,152 | **–** | – |
| **Unsecured** | | | | | |
| Term loans | (b) | **127,025** | 14,000 | **50,000** | – |
| Revolving credits | (c) | **697,480** | 399,283 | **552,480** | 254,284 |
| | | **824,505** | 413,283 | **602,480** | 254,284 |
| Total current borrowing | | **874,509** | 540,435 | **602,480** | 254,284 |
| Total borrowings (Note 30) | | **3,738,546** | 1,821,162 | **1,992,160** | 554,284 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 34. CONVENTIONAL DEBTS (CONT'D.)

### (a) Term loans – secured

The term loans are drawdown by:

| | | Group | |
|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 |
| GB Astir S.a.r.l. ("GB Astir") | (i) | **177,564** | 125,275 |
| Gamuda Land (Kemuning) Sdn. Bhd. ("GL Kemuning") | (ii) | **79,280** | 190,975 |
| | | **256,844** | 316,250 |

(i) In the previous financial year, GB Astir, a subsidiary of the Company had drawdown the term loan for the purpose of part financing the acquisition of a leasehold land and construction cost of the project. GB Astir had drawdown a term loan of RM43,609,821 (2022: RM125,274,765) during the financial year. The term loan bore a variable interest rate. For the financial year, the interest rate is at a range of 3.64% to 7.38% (2022: 2.50% to 3.64%) per annum.

(ii) On 30 June 2016, GL Kemuning, a subsidiary of the Company had drawdown the term loan for the purpose of part financing the acquisition of a leasehold land. On 17 November 2017, the Company had drawdown term loans for the purpose of part financing of the twentyfive7 project. GL Kemuning had repaid term loan of RM111,694,628 during the financial year. The term loans bore interest rate at a range of 3.87% to 4.86% per annum (2022: 3.31% to 3.61% per annum).

The term loan is secured by leasehold land under development as disclosed in Note 13.

Term loans are repayable as follows:

| | Group | |
|---|---|---|
| | 2023 RM'000 | 2022 RM'000 |
| Less than one year | **50,004** | 122,273 |
| More than two years and less than five years | **206,840** | 193,977 |
| | **256,844** | 316,250 |

### (b) Term loans – unsecured

The term loans are drawdown by:

| | | Group | |
|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 |
| Gamuda Berhad | (i) | **1,439,680** | 300,000 |
| Megah Capital Sdn. Bhd. ("Megah Capital") | | | |
| – term loan | (ii) | **336,000** | 350,000 |
| – cross currency interest rate swap ("CCIRS") loan | 35 | **963,017** | 405,035 |
| Gamuda Yoo Development Aldgate S.a.r.l. | (iii) | **45,525** | 42,575 |
| | | **2,784,222** | 1,097,610 |

## 34. CONVENTIONAL DEBTS (CONT'D.)

### (b) Term loans – unsecured (cont'd.)

(i) On 10 March 2021, Gamuda Berhad had drawdown term loan of RM100,000,000 for the purpose of refinancing existing loan. The term loan bore a floating interest rate of 3.19% to 3.34% per annum upon drawdown. The term loan matures in tranches within 3 to 5 years from the date of first drawdown. Gamuda Berhad had swapped the floating interest rate to fixed interest rate of 3.93% to 4.08% per annum.

On 19 November 2021, Gamuda Berhad had drawdown term loan of RM200,000,000 for the purpose of refinancing existing loan. The term loan bore a floating interest rate of 2.86% per annum upon drawdown and this term loan is subjected to interest rate fluctuations with latest interest rate at 4.27% per annum. The term loan matures in tranches within 5 to 7 years from the date of first drawdown.

On 20 June 2023, Gamuda Berhad had drawdown term loan of USD40,000,000 (equivalent to RM180,200,000) for the purpose of partial financing the acquisition of land in Vietnam. The term loan bore a floating interest rate of 6.33% per annum. The term loan matures in tranches within 4 to 5 years from the date of first drawdown.

On 30 June 2023, Gamuda Berhad had drawdown term loan of AUD94,000,000 (equivalent to RM283,729,600) for the purpose of partial finance the accquisition of business in Australia. The term loan bore a floating interest rate of 5.52% per annum. The term loan matures in 3 years from the date of first drawdown.

On 21 July 2023, Gamuda Berhad had drawdown term loan of USD150,000,000 (equivalent to RM675,750,000) for the purpose of partial financing the acquisition of land in Vietnam. The term loan bore a floating rate interest of 6.85% per annum. The term loan matures in tranches within 3 to 5 years from the date of first drawdown.

(ii) On 30 December 2020, Megah Capital had drawdown the term loan of RM350,000,000 for the purpose of partial refinancing of existing loan. The term loan bore a floating interest rate of 3.05% per annum. On 30 June 2023, Megah Capital repaid RM14,000,000 with the balance of RM336,000,000 matures in tranches within 3 to 7 years from the date of first drawdown.

On 31 December 2020 and 26 March 2021, as disclosed in Note 35, Megah Capital swapped its term loan of USD40,000,000 and USD60,000,000 respectively, at floating USD interest rate through cross currency interest rate swap into RM161,520,000 and RM247,680,000 at fixed rate of 3.66% and 4.03% per annum, respectively.

On 19 December 2022 and 30 June 2023, as disclosed in Note 35, Megah Capital swapped its term loan of USD70,000,000 and USD50,000,000 respectively, at floating USD interest rate through cross currency interest rate swap into RM308,840,000 and RM233,750,000 at fixed rate of 4.79% and 4.52% per annum, respectively.

The term loans mature five years from the date of first drawdown and is subject to offsetting arrangements as disclosed in Note 43.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 34. CONVENTIONAL DEBTS (CONT'D.)

### (b) Term loans – unsecured (cont'd.)

(iii) On 5 February 2021, Gamuda Yoo Development S.a.r.l, a subsidiary of the Company had drawdown term loan of GBP7,860,000 (approximately RM46,419,000) for the purpose of partial financing the acquisition of land and property in the UK. The term loan matures 3 years from the date of the first drawdown. The term loan bore a variable interest rate ranging from 3.54% to 7.28% (2022: 2.40% to 3.54%) per annum.

Term loans are repayable as follows:

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Less than one year | **127,025** | 14,000 |
| Later than one year but not later than two years | **63,500** | 124,075 |
| More than two years and less than five years | **2,523,697** | 688,535 |
| More than five years | **70,000** | 271,000 |
| | **2,784,222** | 1,097,610 |

### (c) Revolving credits

The secured revolving credits are drawdown by:

| | | Group | |
|---|---|---|---|
| | **Note** | **2023 RM'000** | **2022 RM'000** |
| **Secured** | | | |
| Jade Homes Sdn. Bhd. ("Jade Homes") | (i) | **–** | 8,019 |

Revolving credits are repayable as follows:

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Less than one year | **–** | 4,879 |
| Later than one year but not later than two years | **–** | 3,140 |
| | **–** | 8,019 |

(i) On 1 August 2016, Jade Homes, a subsidiary of the Company, drawdown the revolving credit from Public Bank Berhad for the development cost of ongoing projects. The revolving credit is secured with a parcel of vacant development land and bore interest rate of 4.34% (2022: 3.38%) per annum. The revolving credit has been fully repaid during the year.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 34. CONVENTIONAL DEBTS (CONT'D.)

### (c) Revolving credits (cont'd.)

The unsecured revolving credits are drawdown by:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| **Unsecured** | | | | |
| Gamuda Berhad | **552,480** | 254,284 | **552,480** | 254,284 |
| Gamuda Naim Engineering and Construction (GNEC) Sdn. Bhd. | **145,000** | 144,999 | **–** | – |
| | **697,480** | 399,283 | **552,480** | 254,284 |

The weighted average effective interest rates for long term and short term borrowings (per annum) as at reporting date are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 % | 2022 % | 2023 % | 2022 % |
| Revolving credits | | | | |
| Secured | | | | |
| – Ringgit Malaysia | **–** | 3.82 | **–** | – |
| Unsecured | | | | |
| – Ringgit Malaysia | **4.05** | 3.15 | **–** | – |
| – US Dollar | **6.37** | 3.80 | **6.37** | 3.80 |
| – Taiwan Dollar | **2.31** | 1.58 | **2.31** | 1.58 |
| Term loans | | | | |
| – US Dollar | **5.44** | 3.92 | **6.74** | – |
| – Australian Dollar | **5.52** | – | **5.52** | – |
| – Ringgit Malaysia | **4.46** | 3.67 | **4.45** | 3.47 |
| – Great British Pound | **7.36** | 3.43 | **–** | – |

The currency exposure profile of bank borrowings is as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| – Ringgit Malaysia | **4,873,297** | 4,349,028 | **2,050,000** | 2,050,000 |
| – US Dollar | **1,452,863** | 189,604 | **1,452,863** | 189,604 |
| – Taiwan Dollar | **90,717** | 73,582 | **90,717** | 73,582 |
| – Great British Pound | **223,089** | 167,850 | **–** | – |
| – Australian Dollar | **283,730** | **–** | **283,730** | – |
| | **6,923,696** | 4,780,064 | **3,877,310** | 2,313,186 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 35. CROSS CURRENCY INTEREST RATE SWAPS ("CCIRS") LOAN

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| CCIRS loan (Note 34(b)) | **963,017** | 405,035 |

The Group uses cross currency interest rate swap to manage some of its transaction exposure from foreign currency loan. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

At the reporting date, the Group's loans denominated in United States Dollar ("USD") amounted to USD220,000,000 (2022: USD100,000,000) ("USD loan"). At the same time, Group entered into a cross currency interest rate swap ("CCIRS") to hedge against floating interest rate and foreign exchange movements for the USD loan ("CCIRS loan"). The CCIRS loan has been accounted for as financial liabilities at fair value through profit or loss. Any changes in the fair value of the CCIRS loan will be recognised to profit or loss.

Details of CCIRS loan are as follows:

| Contract amount | CCIRS | Maturity |
|---|---|---|
| (a) USD40,000,000 (RM161,520,000) | (i) Pays fixed RM interest rate of 3.66% per annum on the RM contract amount in exchange for receiving USD-LIBOR floating rate plus 1.70% per annum on the USD contract amount; and<br>(ii) Receives USD in exchange for paying RM at a predetermined rate of RM4.038 to USD1.000; according to the scheduled principal and interest repayment. | 31 December 2025 |
| Effectively, the Group had swapped the USD40,000,000 loan at USD-LIBOR floating rate plus 1.70% per annum based on RM161,520,000 loan fixed at RM interest rate of 3.66% per annum. | | |
| (b) USD60,000,000 (RM247,680,000) | (i) Pays fixed RM interest rate of 4.03% per annum on the RM contract amount in exchange for receiving USD-LIBOR floating rate plus 1.50% per annum on the USD contract amount; and<br>(ii) Receives USD in exchange for paying RM at a predetermined rate of RM4.128 to USD1.000; according to the scheduled principal and interest repayment. | 31 December 2025 |
| Effectively, the Group had swapped the USD60,000,000 loan at USD-LIBOR floating rate plus 1.70% per annum based on RM247,680,000 loan fixed at RM interest rate of 4.03% per annum. | | |
| (c) USD70,000,000 (RM308,840,000) | (i) Pays fixed RM interest rate of 4.79% per annum on the RM contract amount in exchange for receiving USD-SOFR floating rate plus 1.30% per annum on the USD contract amount; and<br>(ii) Receives USD in exchange for paying RM at a predetermined rate of RM4.412 to USD1.000; according to the scheduled principal and interest repayment. | 20 December 2027 |
| Effectively, the Group had swapped the USD70,000,000 loan at USD-SOFR floating rate plus 1.30% per annum based on RM308,840,000 loan fixed at RM interest rate of 4.79% per annum. | | |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 35. CROSS CURRENCY INTEREST RATE SWAPS ("CCIRS") LOAN (CONT'D.)

| Contract amount | CCIRS | Maturity |
|---|---|---|
| (d) USD50,000,000 (RM233,750,000) | (i) Pays fixed RM interest rate of 4.52% per annum on the RM contract amount in exchange for receiving USD-SOFR floating rate plus 1.30% per annum on the USD contract amount; and<br>(ii) Receives USD in exchange for paying RM at a predetermined rate of RM4.675 to USD1.000; according to the scheduled principal and interest repayment. | 20 December 2027 |

Effectively, the Group had swapped the USD50,000,000 loan at USD-SOFR floating rate plus 1.30% per annum based on RM233,750,000 loan fixed at RM interest rate of 4.52% per annum.

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Fair value loss/(gain) on CCIRS loan (Note 7) | **15,392** | (16,418) |

The fair value changes are attributable to changes in interest rate and foreign exchange rate. The Group's method of assumptions applied in determining the fair values of derivatives are disclosed in Note 43.

## 36. DUE TO SUBSIDIARIES

| | Company | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| **Non-current** | | |
| Due to subsidiaries | | |
| – retention sums | **7,519** | 1,892 |
| **Current** | | |
| Due to subsidiaries | | |
| – trade | **48,265** | 20,541 |
| – non-trade | **127,728** | 87,115 |
| | **175,993** | 107,656 |
| Total amounts due to subsidiaries | **183,512** | 109,548 |

The trade amounts due to subsidiaries have a normal credit term which ranges from 30 to 90 days (2022: 30 to 90 days) other than retention sums which are due after 2 to 3 years.

The non-trade amounts due to subsidiaries are unsecured, interest free and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 37. PROVISION FOR LIABILITIES

Provision for liabilities of the Group and Company are analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Continuing operations | | | | |
| Current | **254,612** | 160,434 | **17,473** | – |
| Non-current | **123,691** | 99,262 | **–** | – |
| | **378,303** | 259,696 | **17,473** | – |

| Group | Provision for development costs RM'000 Note (a) | Provision for affordable housing RM'000 Note (b) | Provision for club membership RM'000 Note (c) | Provision for heavy repairs RM'000 Note (d) | Provision for foreseeable losses RM'000 Note (e) | Provision for rehabilitation and restoration RM'000 Note (f) | Total RM'000 |
|---|---|---|---|---|---|---|---|
| At 1 August 2022 | **30,987** | **73,658** | **2,360** | **–** | **2,757** | **149,934** | **259,696** |
| Provision during the year | **31,535** | **43,705** | **469** | **–** | **22,145** | **38,912** | **136,766** |
| Utilisation during the year | **(4,604)** | **(6,512)** | **–** | **–** | **(2,828)** | **(4,598)** | **(18,542)** |
| Exchange differences | **–** | **–** | **–** | **–** | **383** | **–** | **383** |
| At 31 July 2023 | **57,918** | **110,851** | **2,829** | **–** | **22,457** | **184,248** | **378,303** |
| At 1 August 2021 | 31,666 | 60,242 | 1,230 | 25,073 | 6,909 | 149,605 | 274,725 |
| Provision during the year | 8,204 | 13,100 | 1,400 | 5,921 | – | 20,010 | 48,635 |
| Utilisation during the year | (8,883) | 316 | – | – | (4,152) | (19,681) | (32,400) |
| Unused amount reversed | – | – | (270) | – | – | – | (270) |
| Liabilities directly associated with the assets held for sale | – | – | – | (30,994) | – | – | (30,994) |
| At 31 July 2022 | 30,987 | 73,658 | 2,360 | – | 2,757 | 149,934 | 259,696 |

| Company | Provision for foreseeable losses RM'000 Note (e) | Total RM'000 |
|---|---|---|
| At 1 August 2021/31 July 2022/1 August 2022 | **–** | – |
| Provision during the year | **17,090** | **17,090** |
| Exchange differences | **383** | **383** |
| At 31 July 2023 | **17,473** | **17,473** |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 37. PROVISION FOR LIABILITIES (CONT'D.)

Recognised in profit or loss during the financial year:

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| Net provision for club membership | | **469** | 1,400 | **–** | – |
| Provision for foreseeable losses | | **22,145** | – | **17,090** | – |
| Provision for heavy repairs | | **–** | 5,921 | **–** | – |
| | | **22,614** | 7,321 | **17,090** | – |
| **Analysed as:** | | | | | |
| – Continuing operations | 7 | **22,614** | 1,400 | **17,090** | – |
| – Discontinued operations | 7 | **–** | 5,921 | **–** | – |
| | | **22,614** | 7,321 | **17,090** | – |

### (a) Provision for development costs

Provision for development costs is in respect of development projects undertaken by its subsidiaries as they had a present obligation as a result of a past event and it was probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

### (b) Provision for affordable housing

The provision for affordable housing represents the present obligation for construction of low cost houses.

### (c) Provision for club membership

Certain subsidiaries of the Group are obliged to offer club membership via incentive schemes offered.

### (d) Provision for heavy repairs

Provision for heavy repairs relates to the estimated costs of the contractual obligations to maintain and restore the highway infrastructure to a specified standard of serviceability.

### (e) Provision for foreseeable losses

Provision for foreseeable losses represents the present obligation for losses expected to be incurred for construction contracts.

### (f) Provision for rehabilitation and restoration

Provision for rehabilitation and restoration relates to the estimated cost of contractual obligations to maintain and restore the water treatment infrastructure to a specified standard of serviceability.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 38. COMMITMENTS

### (a) Capital commitments

| | Group | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Approved and contracted for: | | |
| Property, plant and equipment | **29,814** | 18,170 |
| Land held for property development | **324,000** | 154,264 |
| Information technology | **848** | 4,314 |

### (b) Operating commitments – as lessor

The Group has entered into operating leases on its premises. These leases have terms of between one to five years.

Future minimum rentals receivable under non-cancellable operating leases as at 31 July are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Within one year | **13,494** | 17,658 | **–** | 6,168 |
| After one year but not more than five years | **11,737** | 14,092 | **534** | 7,104 |
| After five years | **1,115** | 63 | **–** | – |
| | **26,346** | 31,813 | **534** | 13,272 |

## 39. GUARANTEES

(a) The Company and its joint venture partner, MMC Corporation Berhad ("MMC"), issued parent company guarantees to guarantee the due performance and obligations of MMC – Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel SB") in the underground works packages of the Klang Valley Mass Rapid Transit Project Sungai Buloh-Serdang-Putrajaya Line ("KVMRT Line 2"). Tunnel SB is equally owned by MMC and the Company.

(b) The Company and its joint venture partner, MMC, have also issued parent company guarantees to guarantee the due performance and obligations of MMC – Gamuda KVMRT (PDP SSP) Sdn. Bhd. ("PDP SSP") as the PDP of KVMRT Line 2 and subsequently, as the Turnkey Contractor of KVMRT Line 2 following the conversion from PDP model to Turnkey model. PDP SSP is equally owned by MMC and the Company.

(c) The Company and its joint venture partner, Naim Engineering Sdn. Bhd. ("NAIM") have issued parent company guarantees to guarantee the due performance and obligations of Naim Gamuda (NAGA) JV Sdn Bhd ("NAGA") in the works package contract for the development and upgrading of Pan Borneo Highway, Sarawak – WPC-04 (Pantu Junction to Btg Skrang). The Company owns a 30% stake in NAGA and balance 70% stake is owned by NAIM.

(d) The Company gives, in the ordinary course of business, parent company guarantees to counterparties, in respect of the due performance and obligations of the wholly-owned subsidiary, DT Infrastructure Pty Ltd ("DTI") in certain construction projects.

The guarantees issued by the Company for the contracts in (a) to (d) have not crystallised because the performance and obligations of all have been fulfilled in compliance with the progress and requirements based on the terms of the contract.

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

The possibility of the cash outflow is remote at this juncture because the performance guarantees are unlikely to be called.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 40. MATERIAL LITIGATION

The Group and the Company are not engaged in any material litigation.

## 41. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) In addition to transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Professional services rendered by Raja Eleena, Siew Ang & Associates, a firm in which a director, YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah, has interest | **260** | 664 | **–** | – |
| Rental received from subsidiaries | **–** | – | **(5,921)** | (5,376) |
| Interest receivable from subsidiaries | **–** | – | **(133,590)** | (128,653) |
| Dividend received from: | | | | |
| – subsidiaries | **–** | – | **(524,454)** | (139,170) |
| – associates | **(1,187,887)** | (57,514) | **(1,187,887)** | (57,514) |
| – joint ventures | **(105,000)** | (423,000) | **(105,000)** | (423,000) |

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

(b) Compensation of key management personnel ("KMP"):

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity either directly or indirectly.

The remuneration of key management personnel during the year was as follows:

**Total KMPs' remuneration**

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Total | **18,344** | 11,066 | **17,498** | 10,430 |

The details of Board of Directors' remuneration are disclosed in Note 6.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 42. SIGNIFICANT EVENTS

### a) Downer Transport Projects

On 22 February 2023, DT Infrastructure Pty Ltd ("DTI"), a wholly owned foreign subsidiary in Australia executed an asset sale agreement with Downer EDI Works Pty Ltd and VEC Civil Engineering Pty Ltd (collectively referred to as "Downer") to acquire the Australian transport projects business of Downer Transport Projects ("DTP") for an enterprise value of AUD212 million (equivalent to RM669 million).

DTP is a distinct business unit under Downer that provides civil construction services in delivering transport projects for its customers, with specialist rail capability.

DTP operates across Australia and primarily generates revenue from government clients, with a smaller share coming from private projects. Its customer base, contacts and geographical exposure are mainly in New South Wales, Western Australia and Victoria. Some of the key projects currently carried out by DTP are in relation to rail line upgrades and duplication, rail extension, rail maintenance, service signalling and communication maintenance, and freeway upgrades.

DTP's current projects with a forecast work-in-hand of approximately AUD2 billion, circa AUD34 million of plant and equipment assets, and over 1,000 associated employees across five Australian States, namely New South Wales, Victoria, Queensland, South Australia and Western Australia and one Territory, Northern Territory.

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

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

The consolidated capability and additional construction pipeline from DTI across Australia will reinforce the Group's position by expanding their market reach in Australia through venturing into wider rail disciplines. The Group will be well positioned to participate in a larger pipeline of transport projects focusing on rail, light rail and rail systems, with an established network of subcontractors.

The acquisition of DTP was executed on 20 June 2023 and out of the total consideration of AUD212,000,000, payments of AUD15,000,000 has been withheld due to pending novation consents for certain projects.

On 29 September 2023, the remaining customer consent has been obtained and the remaining projects has been novated, where the deferred payment was paid on the said date.

The completion of the acquisition of DTP marks a significant milestone and represents the Group's commitment to a strategic growth and expansion in the infrastructure and transport projects sector in Australia.

The Group accounted the acquisition of DTP as a business combination in DTI as it meets the application guidance of MFRS 3: *Business Combination* whereby the Group will be taking over the on-going projects from Downer and profiting from the completion of these projects.

The details of the provisional goodwill arising from the business combination in DTI are disclosed in Note 17(b).

## 42. SIGNIFICANT EVENTS (CONT'D.)

### b) Acquisition of Project Land located in Thu Duc City

On 20 July 2023, Gamuda Berhad has entered into a Share Transfer Agreement with Mr. Nguyen Hong Giang, Mr. Nguyen Van Viet and Ms. Dang Thi Dung (the individuals are collectively referred to as the "Vendor") to acquire 100% equity interest in Tam Luc Real Estate Corporation, ("Project Company") which solely owns the 9.1 acres land ("Project Land").

The Project Land is a shovel-ready mixed-use high-rise project site with all requisite planning approvals obtained that is ready for immediate development. It is strategically situated in Thu Duc City which has been gazatted as the Innovation Hub of Ho Chi Minh City. This project will enable Gamuda Land to continue its strong trajectory of profitable growth in Vietnam.

The Purchase Price of VND7,200 billion (approximately USD315.8 million or RM1.47 billion) has been paid upon the execution of the Share Transfer Agreement and the approval of the Economic Concentration Approval ("ECN") for the transfer of the shares in the Project Company to the following foreign subsidiaries of the Group:

i) Gamuda Land Nam Viet Investment Company Limited (98% equity interest);

ii) Van Lam Investment Limited Company (1% equity interest); and

iii) Truong Tin Construction and Housing Trading Company Limited (1% equity interest).

The Project Land acquisition is accounted for as an acquisition of assets instead of a business as it does not meet the application guidance of *MFRS 3: Business Combination* as the consideration paid is solely reflecting of the fair value of the gross asset acquired which is concentrated to a single identifiable asset, the Project Land.

### c) Acquisition of Winchester House

On 27 March 2023, Gamuda Berhad ("Gamuda") and Castleforge Partners Limited ("Castleforge"), via Venta Belgarum II Limited Partnership ("VB II"/"Buyer"), signed a Sale and Purchase Agreement to acquire 100% equity interest in Wessex Winchester Propco Limited ("Prop Co"), owner of Winchester House, for a total cash consideration of £257 million (equivalent to RM1,392 million) from Wessex Winchester Limited Partnership ("Vendor" or "Wessex Winchester LP") ("SPA"). VB II is a 75:25 development partnership where Gamuda holds the higher stake, formed between the wholly owned subsidiary of Gamuda, Gamuda Land (Labuan) Limited ("GLL") and Castleforge's 100% partnership entity, Athelstan Limited.

The acquisition of Winchester House is part of Gamuda's Quick-Turnaround-Projects ("QTP") strategy, which aims to build a regional portfolio of real estate projects with high internal rate of return, with investment timeframes of 5 years or less. QTP is sector-agnostic and seeks to capitalise on strong demand, proprietary and off-market deals with value-add potential. The QTP strategy is intended to diversify the portfolio, maximise returns on capital, and grow Gamuda's geographical presence beyond Malaysia.

Subsequent to the acquisition, Winchester House will be refurbished and upgraded into a best-in-class, top-rated environmentally sustainable ESG office space catering to global or multinational financial institutions, legal firms, and mega-tech corporations. Gamuda intends to dispose of this investment, by the 5th year or prior, after locking in strong pre-lease arrangements by quality tenants.

The acquisition of Winchester House is accounted for as an investment in joint venture as the salient terms and condition of the partnership agreement between Gamuda and Castleforge indicates there is a joint control between both parties.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 42. SIGNIFICANT EVENTS (CONT'D.)

### d) Disposal of highway concessions ("Disposals")

On 13 October 2022, each of the Shares Sales and Purchase Agreement ('SSPAs') became unconditional following the fulfilment of the conditions precedent stipulated in each of the SSPAs in respect of each of the Disposals. Each of the Disposals was completed on 13 October 2022 ("Completion Date") in accordance with the terms and conditions of each of the SSPAs.

On the Completion Date, pursuant to the terms and conditions of each of the SSPAs, the Concession Holding Companies of KESAS, SPRINT and LITRAK received a total sum of RM4,260,000,000, where Gamuda's share of proceed is RM2,353,713,000.

In relation to the Disposal of SMART, ALR paid the Equity Value equivalent to RM1.00 to SMART Holdings on the Completion Date. ALR also paid in full, the Redemption Amount of RM316,000,000 to the bank account provided by the facility/security agent under the terms of the Sukuk Facilities on the Completion Date.

Pursuant to the completion of the Disposals:

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

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

Upon the completion of the Disposal on 13 October 2022, the highway concessions ceased to be a subsidiary company of each Concession Holding Companies. Further details on disposal of highway concessions disclose in Note 47.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 43. FAIR VALUE

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | Carrying amount RM'000 | Fair value RM'000 | Carrying amount RM'000 | Fair value RM'000 |
| **At 31 July 2023** | | | | | |
| **Financial assets:** | | | | | |
| Current receivables | 21 | **2,480,944** | **2,480,944** | **707,776** | **707,776** |
| Non-current receivables and other financial assets | 21 | **269,797** | **269,797** | **8,857** | **8,857** |
| Cash and bank balances | 25 | **3,169,466** | **3,169,466** | **976,791** | **976,791** |
| **Financial liabilities:** | | | | | |
| Current payables | 30 | **3,712,986** | **3,712,986** | **1,109,765** | **1,109,765** |
| Non-current payables | 30 | **225,646** | **225,646** | **34,054** | **34,054** |
| Due to subsidiaries | 36 | **–** | **–** | **7,519** | **7,519** |
| Islamic debts: | | | | | |
| – Medium term notes | 33 | **2,850,000** | **2,785,490** | **1,750,000** | **1,750,000** |
| – Commercial papers | 33 | **200,000** | **200,000** | **–** | **–** |
| – Revolving credits | 33 | **135,150** | **135,150** | **135,150** | **135,150** |
| Conventional debts: | | | | | |
| – Term loans | 34 | **2,078,049** | **2,078,049** | **1,439,680** | **1,439,680** |
| – Revolving credits | 34 | **697,480** | **697,480** | **552,480** | **552,480** |
| **At 31 July 2022** | | | | | |
| **Financial assets:** | | | | | |
| Current receivables | 21 | 2,087,146 | 2,087,146 | 751,014 | 751,014 |
| Non-current receivables and other financial assets | 21 | 323,951 | 323,951 | 12,581 | 12,581 |
| Cash and bank balances | 25 | 2,794,348 | 2,794,348 | 722,856 | 722,856 |
| **Financial liabilities:** | | | | | |
| Current payables | 30 | 2,665,494 | 2,665,494 | 670,343 | 670,343 |
| Non-current payables | 30 | 161,788 | 161,788 | 44,100 | 44,100 |
| Due to subsidiaries | 36 | – | – | 109,548 | 109,548 |
| Islamic debts: | | | | | |
| – Medium term notes | 33 | 2,850,000 | 2,789,270 | 1,750,000 | 1,750,000 |
| – Commercial papers | 33 | 100,000 | 100,000 | – | – |
| – Revolving credits | 33 | 8,902 | 8,902 | 8,902 | 8,902 |
| Conventional debts: | | | | | |
| – Term loans | 34 | 1,008,825 | 1,008,825 | 300,000 | 300,000 |
| – Revolving credits | 34 | 407,302 | 407,302 | 254,284 | 254,284 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 43. FAIR VALUE (CONT'D.)

The following methods and assumptions are used to estimate fair values of the following classes of financial instruments:

**(i) Non-current receivables, payables and borrowings**

The fair value of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate/profit rate for similar types of lending or borrowing arrangements or Islamic debts at the reporting date.

**(ii) Cash and bank balances, current receivables and current payables**

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

**(iii) Financial guarantees**

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default; and
- The estimated loss exposure if the party guaranteed were to default.

**(iv) CCIRS loan**

CCIRS are valued using a valuation technique with market observable inputs. The frequently applied valuation technique includes forecasting the future cash flows using the forward rates and discounting them, using present value calculation. The models incorporate various inputs including the credit quality of counter parties, foreign exchange and interest spot and forward rates, interest rate curves and forward rate curves.

### Fair value hierarchy

The Group's and the Company's financial instruments are analysed in a three level fair value hierarchy based on the significance of inputs.

The three level of fair value measurement hierarchy are:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date

**Level 2:** Input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

**Level 3:** Input for the asset or liability that are not based on observable market data (unobservable input)

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 43. FAIR VALUE (CONT'D.)

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities:

| Group | Note | Total RM'000 | Fair value measurement using: Quoted prices in active markets (Level 1) RM'000 | Significant observable inputs (Level 2) RM'000 | Significant unobservable inputs (Level 3) RM'000 |
|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | |
| **Assets not carried at fair values but for which fair values are disclosed** | | | | | |
| Investment properties | 14 | **988,685** | **–** | **–** | **988,685** |
| **Assets measured at fair value** | | | | | |
| Other investments | 20 | **12,439** | **–** | **12,439** | **–** |
| Investment securities | 23 | **1,007,803** | **1,007,803** | **–** | **–** |
| **Liability measured at fair value** | | | | | |
| CCIRS loan | 35 | **963,017** | **–** | **963,017** | **–** |
| **At 31 July 2022** | | | | | |
| **Assets not carried at fair values but for which fair values are disclosed** | | | | | |
| Investment properties | 14 | 973,412 | – | – | 973,412 |
| **Assets measured at fair value** | | | | | |
| Other investments | 20 | 7,802 | – | 7,802 | – |
| Investment securities | 23 | 700,782 | 700,782 | – | – |
| **Liability measured at fair value** | | | | | |
| CCIRS loan | 35 | 405,035 | – | 405,035 | – |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 43. FAIR VALUE (CONT'D.)

Quantitative disclosures fair value measurement hierarchy for assets and liabilities: (cont'd.)

| | | | Fair value measurement using | | |
|---|---|---|---|---|---|
| **Company** | **Note** | **Total RM'000** | **Quoted prices in active markets (Level 1) RM'000** | **Significant observable inputs (Level 2) RM'000** | **Significant unobservable inputs (Level 3) RM'000** |
| **At 31 July 2023** | | | | | |
| **Assets not carried at fair values but for which fair values are disclosed** | | | | | |
| Investment properties | 14 | **63,348** | **–** | **–** | **63,348** |
| **Assets measured at fair value** | | | | | |
| Other investments | 20 | **12,439** | **–** | **12,439** | **–** |
| Investment securities | 23 | **918,207** | **918,207** | **–** | **–** |
| **At 31 July 2022** | | | | | |
| **Assets not carried at fair values but for which fair values are disclosed** | | | | | |
| Investment properties | 14 | 64,429 | – | – | 64,429 |
| **Assets measured at fair value** | | | | | |
| Other investments | 20 | 7,802 | – | 7,802 | – |
| Investment securities | 23 | 606,192 | 606,192 | – | – |

### Other investments

The fair values of derivatives and other investments are based on price quotes for similar instruments or valuation techniques based on market observable inputs (Level 2) as quoted prices of identical instruments from an active market (Level 1) are not available.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 43. FAIR VALUE (CONT'D.)

### Investment properties

The fair value of the investment properties are based on the following valuation techniques depending on the location and types of properties:

**(a) Comparison method**

The comparison method seeks to determine the value of the property being valued by comparing and adopting as a yardstick transactions and sales evidences involving other similar properties in the vicinity. Due considerations, are given for such factors including location, plot size, improvements made if any, surrounding developments, facilities and amenities available.

**(b) Income approach**

The income approach uses valuation techniques to convert estimated future amounts of cash flows or income to a single present value (discounted) amount. To this estimated future amounts of cash flows or income, an appropriate, market-derived discount rate is applied to establish the present value of the income stream associated with the real property.

**(c) Depreciable replacement cost method**

Completed buildings are valued by reference to the current estimates on construction costs to erect equivalent buildings, taking into consideration of similar buildings in terms of size, construction, finishes, contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

| | Valuation techniques | Significant unobservable inputs | Range |
|---|---|---|---|
| Land and building | Comparison method | Adjustment factors to prices of comparable properties | -35.00% to 30.00% |
| Building | Depreciable replacement cost method | Construction cost per square foot<br>Depreciation rate | RM120.00 to RM505.00<br>1.50% |
| Land and building | Income approach | Estimated rental value square foot per month<br>Capitalisation rate/discount rate<br>Void rate | RM1.89 to RM22.94<br>5.00% to 6.75%<br>4.00% to 30.00% |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, market risk and foreign currency risk.

The Group operates within clearly defined guidelines that are approved by the Board.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### (a) Credit risk

Credit risk is the risk of loss that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions, other financial instruments and guarantees and performance guarantees given on behalf of the subsidiaries and joint ventures.

**Trade receivables and contract assets**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored.

An impairment analysis is performed at each reporting date using provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 21. The Group does not hold collateral as security. The Group evaluates the credit risk with respect to trade receivables and contract assets as low as there is no concentration of trade receivables except as disclosed in Note 21. The directors do not foresee any issue in recovering the receivable amount.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. The Group invests only on quoted debt securities with very low credit risk.

The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 July 2023 and 2022 is the carrying amount as illustrated in Note 21 except for derivative financial instruments. The Group's maximum exposure relating to financial derivative instruments is noted in the liquidity table below.

**Financial guarantees**

For financial guarantees and similar contracts granted, it is the maximum amount that the Group and the Company would have to pay if the guarantees were called upon. The maximum exposure has been disclosed in Note 44(b).

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Credit risk (cont'd.)

**Credit risk concentration profile**

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

| | Group | | | |
|---|---|---|---|---|
| | 2023 | | 2022 | |
| | RM'000 | % of total | RM'000 | % of total |
| **By country:** | | | | |
| Malaysia | **1,120,539** | **49%** | 995,694 | 57% |
| Australia | **531,674** | **23%** | 271,987 | 16% |
| Vietnam | **269,462** | **12%** | 264,771 | 15% |
| Taiwan | **315,617** | **14%** | 173,913 | 10% |
| India | **18,310** | **1%** | 18,771 | 1% |
| Others | **17,786** | **1%** | 10,065 | 1% |
| | **2,273,388** | **100%** | 1,735,201 | 100% |
| **By industry sectors:** | | | | |
| Engineering and construction | **1,460,293** | **64%** | 1,025,280 | 59% |
| Property development and club operations | **813,095** | **36%** | 709,921 | 41% |
| | **2,273,388** | **100%** | 1,735,201 | 100% |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by bank borrowings.

At the reporting date, approximately 20% (2022: 32%) of the Group's debts and borrowings (Notes 33 and 34) will mature in less than one year based on the carrying amount reflected in the financial statements. Approximately 22% (2022: 50%) of the Company's debts and borrowings (Notes 33 and 34) will mature in less than one year at the reporting date.

**Analysis of financial instruments by remaining contractual maturities**

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

| | 2023 | | | |
|---|---|---|---|---|
| **Group** | **On demand or within one year RM'000** | **One to five years RM'000** | **Over five years RM'000** | **Total RM'000** |
| **Financial liabilities:** | | | | |
| Trade and other payables | **3,710,872** | **187,085** | **–** | **3,897,957** |
| Islamic debts | | | | |
| – Principal | **535,150** | **950,000** | **1,700,000** | **3,185,150** |
| – Profit | **113,443** | **396,876** | **164,686** | **675,005** |
| Conventional debts | | | | |
| – Principal | **874,509** | **2,794,037** | **70,000** | **3,738,546** |
| – Interest | **162,255** | **394,308** | **921** | **557,484** |
| Total undiscounted financial liabilities | **5,396,229** | **4,722,306** | **1,935,607** | **12,054,142** |

| | 2022 | | | |
|---|---|---|---|---|
| **Group** | **On demand or within one year RM'000** | **One to five years RM'000** | **Over five years RM'000** | **Total RM'000** |
| **Financial liabilities:** | | | | |
| Trade and other payables | 2,665,494 | 161,788 | – | 2,827,282 |
| Islamic debts | | | | |
| – Principal | 1,008,902 | 550,000 | 1,400,000 | 2,958,902 |
| – Profit | 101,964 | 270,884 | 104,310 | 477,158 |
| Borrowings | | | | |
| – Principal | 540,435 | 1,009,727 | 271,000 | 1,821,162 |
| – Interest | 52,780 | 117,922 | 5,744 | 176,446 |
| Total undiscounted financial liabilities | 4,369,575 | 2,110,321 | 1,781,054 | 8,260,950 |

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (b) Liquidity risk (cont'd.)

**Analysis of financial instruments by remaining contractual maturities (cont'd.)**

| | 2023 | | | |
|---|---|---|---|---|
| **Company** | **On demand or within one year RM'000** | **One to five years RM'000** | **Over five years RM'000** | **Total RM'000** |
| **Financial liabilities:** | | | | |
| Trade and other payables | **1,109,534** | **29,517** | **–** | **1,139,051** |
| Due to subsidiaries | **175,993** | **8,819** | **–** | **184,812** |
| Islamic debts | | | | |
| – Principal | **235,150** | **450,000** | **1,200,000** | **1,885,150** |
| – Profit | **74,585** | **265,455** | **80,296** | **420,336** |
| Conventional debts | | | | |
| – Principal | **602,480** | **1,319,680** | **70,000** | **1,992,160** |
| – Interest | **108,495** | **238,195** | **1,001** | **347,691** |
| Total undiscounted financial liabilities | **2,306,237** | **2,311,666** | **1,351,297** | **5,969,200** |

| | 2022 | | | |
|---|---|---|---|---|
| **Company** | **On demand or within one year RM'000** | **One to five years RM'000** | **Over five years RM'000** | **Total RM'000** |
| **Financial liabilities:** | | | | |
| Trade and other payables | 670,343 | 44,100 | – | 714,443 |
| Due to subsidiaries | 107,656 | 1,892 | – | 109,548 |
| Islamic debts | | | | |
| – Principal | 908,902 | 300,000 | 550,000 | 1,758,902 |
| – Profit | 56,913 | 121,199 | 59,737 | 237,849 |
| Conventional debts | | | | |
| – Principal | 254,284 | 160,000 | 140,000 | 554,284 |
| – Interest | 12,123 | 30,589 | 3,779 | 46,491 |
| Total undiscounted financial liabilities | 2,010,221 | 657,780 | 753,516 | 3,421,517 |

The Company has provided corporate guarantees in favour of its subsidiaries and joint venture companies amounting to RM4.0 billion (2022: RM2.8 billion) as follows:

a) Corporate guarantees in favour of its subsidiaries and joint venture companies to the banks in relation to their bank borrowings. The carrying amount of the bank borrowings at the reporting date is RM3,487,720,000 (2022: RM2,789,262,000); and

b) Corporate guarantee in favour of its joint venture company to Wessex Winchester Limited Partnership (the "Vendor") in relation to the final payment for the acquisition of Winchester House amounting to GBP88,000,000 (equivalent to RM509,696,000), which is due on 2 March 2025.

As at the reporting date, the counterparties to the financial guarantees do not have the right to demand cash as there is no default event by the subsidiaries and joint venture companies.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (b) Liquidity risk (cont'd.)

**Analysis of financial instruments by remaining contractual maturities (cont'd.)**

Maturity analysis of financial guarantees is disclosed as follows:

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Within one year | **760,199** | 395,697 |
| One to five years | **2,237,217** | 1,410,608 |
| More than five years | **1,000,000** | 982,957 |
| | **3,997,416** | 2,789,262 |

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. At the reporting date, approximately 58% (2022: 70%) of the Group's borrowings are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM5,530,000 (2022: RM2,890,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

### (d) Market price risk

Market price risk is the risk that the fair value or the future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to market price risk arising from its investment in management fund. These instruments are classified as held for trading financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for market price risk

As at reporting date, if the quoted prices of the investment securities had been 0.25% higher/lower, with all other variables held constant, the Group and the Company's profit for the year would have been RM2,520,000 (2022: RM1,762,000) and RM2,296,000 (2022: RM1,515,000) higher/lower.

### (e) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Transactions in foreign operation are mainly denominated in the functional currency of the country it operates, and other foreign currency transactions are kept to an acceptable level. The Group's revenue that are denominated in foreign currencies are as disclosed in Note 46 to the financial statements.

To manage its risks, particularly interest rate risks and foreign currency risk, the Group has entered into cross-currency interest rate swap arrangements with financial institutions.

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (e) Foreign currency risk (cont'd.)

Included in the following statements of financial position captions of the Group and of the Company as at the reporting date are balances denominated in the following major foreign currencies:

| Group | Vietnam Dong RM'000 | Australian Dollar RM'000 | Singapore Dollar RM'000 | United States Dollar RM'000 | Taiwan Dollar RM'000 | Indian Rupee RM'000 | Qatari Riyal RM'000 | Bahraini Dinar RM'000 | Pound Sterling RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | | | | | | |
| Cash and bank balances | **553,844** | **1,038,674** | **44,901** | **139,090** | **70,532** | **46,191** | **1,959** | **484** | **10,982** | **1,906,657** |
| Receivables | **342,263** | **679,882** | **26,218** | **15** | **336,516** | **21,196** | **283** | **6** | **5,781** | **1,412,160** |
| Payables | **(987,528)** | **(1,011,117)** | **(77,548)** | **(64)** | **(83,829)** | **(7)** | **(668)** | **(2,010)** | **(25,381)** | **(2,188,152)** |
| Borrowings | **–** | **(283,730)** | **–** | **(1,452,863)** | **(90,717)** | **–** | **–** | **–** | **(223,089)** | **(2,050,399)** |
| **At 31 July 2022** | | | | | | | | | | |
| Cash and bank balances | 1,315,297 | 597,153 | 38,394 | 3,905 | 63,399 | 45,815 | 172 | 825 | 4,014 | 2,068,974 |
| Receivables | 908,508 | 293,270 | 9,567 | 60 | 174,221 | 21,841 | 940 | 6 | 6,199 | 1,414,612 |
| Payables | (1,133,076) | (249,353) | (32,915) | (55) | (32,868) | (15) | (2,196) | (2,103) | (14,060) | (1,466,641) |
| Borrowings | – | – | – | (189,604) | (73,582) | – | – | – | (167,850) | (431,036) |

| Company | United States Dollar RM'000 | Singapore Dollar RM'000 | Taiwan Dollar RM'000 | Qatari Riyal RM'000 | Bahraini Dinar RM'000 | Australian Dollar RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|
| **At 31 July 2023** | | | | | | | |
| Cash and bank balances | **139,082** | **13,494** | **47,217** | **1,959** | **484** | **680,809** | **883,045** |
| Receivables | **–** | **16,437** | **38,819** | **283** | **6** | **272,773** | **328,318** |
| Payables | **–** | **(49,731)** | **(8,997)** | **(668)** | **(2,010)** | **(637,612)** | **(699,018)** |
| Borrowings | **(1,452,863)** | **–** | **(90,717)** | **–** | **–** | **(283,730)** | **(1,827,310)** |
| **At 31 July 2022** | | | | | | | |
| Cash and bank balances | 3,850 | 34,160 | 62,662 | 172 | 825 | 581,302 | 682,971 |
| Receivables | – | 9,567 | 11,088 | 940 | 6 | 292,041 | 313,642 |
| Payables | – | (31,916) | (5,387) | (2,613) | (2,103) | (248,732) | (290,751) |
| Borrowings | (189,604) | – | (73,582) | – | – | – | (263,186) |

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Vietnam, Australia, Singapore, Taiwan, India, United Kingdom, Qatar and Bahrain. The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the business is located.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (e) Foreign currency risk (cont'd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the VND, AUD, SGD, USD, TWD, INR, QR, BHD and GBP exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

| | | | Total profit for the year | | | |
|---|---|---|---|---|---|---|
| | | | Group | | Company | |
| | | | Increase/(decrease) | | Increase/(decrease) | |
| | | | 2023 RM'000 | 2022 RM'000 | 2023 RM'000 | 2022 RM'000 |
| VND/RM | strengthened 5% | (2022: 5%) | (4,571) | 54,536 | – | – |
| | weakened 5% | (2022: 5%) | 4,571 | (54,536) | – | – |
| AUD/RM | strengthened 5% | (2022: 5%) | 21,185 | 32,054 | 1,612 | 31,256 |
| | weakened 5% | (2022: 5%) | (21,185) | (32,054) | (1,612) | (31,256) |
| SGD/RM | strengthened 5% | (2022: 5%) | (321) | 801 | (990) | 591 |
| | weakened 5% | (2022: 5%) | 321 | (801) | 990 | (591) |
| USD/RM | strengthened 5% | (2022: 5%) | (65,691) | (8,840) | (65,689) | (8,843) |
| | weakened 5% | (2022: 5%) | 65,691 | 8,840 | 65,689 | 8,843 |
| TWD/RM | strengthened 5% | (2022: 5%) | 11,625 | 6,559 | (684) | (261) |
| | weakened 5% | (2022: 5%) | (11,625) | (6,559) | 684 | 261 |
| INR/RM | strengthened 5% | (2022: 5%) | 3,369 | 3,382 | – | – |
| | weakened 5% | (2022: 5%) | (3,369) | (3,382) | – | – |
| QR/RM | strengthened 5% | (2022: 5%) | 79 | (75) | 79 | (75) |
| | weakened 5% | (2022: 5%) | (79) | 75 | (79) | 75 |
| BHD/RM | strengthened 5% | (2022: 5%) | (76) | (64) | (76) | (64) |
| | weakened 5% | (2022: 5%) | 76 | 64 | 76 | 64 |
| GBP/RM | strengthened 5% | (2022: 5%) | (11,585) | (8,585) | – | – |
| | weakened 5% | (2022: 5%) | 11,585 | 8,585 | – | – |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 45. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The capital management approaches remain unchanged for the current and previous years.

The Group monitors and maintains a prudent level of net gearing ratio, which is net debt divided by total capital, to optimise shareholders value and to ensure compliance under debt covenants.

The Group includes within net debt, subordinate debts and borrowings less cash and bank balances and investment securities. Capital includes equity attributable to the owners of the parent and non-controlling interests.

| | Group | | Company | |
|---|---|---|---|---|
| | **2023 RM'000** | **2022 RM'000** | **2023 RM'000** | **2022 RM'000** |
| Islamic debts (Note 33) | **3,185,150** | 2,958,902 | **1,885,150** | 1,758,902 |
| Conventional debts (Note 34) | **3,738,546** | 1,821,162 | **1,992,160** | 554,284 |
| Less: Cash and bank balances (Note 25) | **(3,169,466)** | (2,794,348) | **(976,791)** | (722,856) |
| Investment securities (Note 23) | **(1,007,803)** | (700,782) | **(918,207)** | (606,192) |
| | **2,746,427** | 1,284,934 | **1,982,312** | 984,138 |
| **Liabilities directly associated with the assets held for sale** | | | | |
| Islamic debts | **–** | 195,000 | **–** | – |
| Less: Cash and bank balances | **–** | (277,884) | **–** | – |
| Investment securities | **–** | (4,011) | **–** | – |
| Net debt | **2,746,427** | 1,198,039 | **1,982,312** | 984,138 |
| Equity attributable to the owners of the Company | **10,791,104** | 9,904,968 | **8,653,626** | 7,536,383 |
| Non-controlling interests | **135,458** | 349,444 | **–** | – |
| Total capital | **10,926,562** | 10,254,412 | **8,653,626** | 7,536,383 |
| Net gearing ratio | **25%** | 12% | **23%** | 13% |

## 46. SEGMENT INFORMATION

During the financial year, the sale of highway concessions was completed in October 2022 and water concession operation is reclassified from water and expressway concessions to engineering and construction to better reflect their underlying business.

The Group reporting is organised and managed in two major business units. The segments are organised and managed to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies.

The reportable segments are summarised as follows:

(i) Engineering and construction – the construction of highways and bridges, airfield facilities, railway, tunnel, water treatment plants, dams, general and trading services related to construction activities; Water – the management of water supply; and

(ii) Property development and club operations – the development of residential and commercial properties and club operations; and

The Group's chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

| 2023 | Engineering and construction RM'000 | Property development and club operations RM'000 | Highways RM'000 | Eliminations RM'000 | Note | Consolidated RM'000 |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue as reported | 5,496,948 | 2,723,478 | 47,693 | – | | 8,268,119 |
| Share of revenue of joint ventures | 693,093 | 114,551 | 2,192 | – | | 809,836 |
| | 6,190,041 | 2,838,029 | 49,885 | – | | 9,077,955 |
| Inter-segment sales | 124,353 | – | – | (124,353) | A | – |
| Total revenue | 6,314,394 | 2,838,029 | 49,885 | (124,353) | | 9,077,955 |
| **Result** | | | | | | |
| Profit from operations | 439,300 | 463,437 | 41,170 | – | | 943,907 |
| Finance costs | (40,473) | (37,934) | (3,065) | – | | (81,472) |
| Share of profits of associated companies | 6,311 | – | 21,865 | – | | 28,176 |
| Share of profits of joint ventures | 213,191 | 13,942 | – | – | | 227,133 |
| Gain arising from disposal of highway concessions | – | – | 1,111,124 | – | | 1,111,124 |
| Profit before tax | 618,329 | 439,445 | 1,171,094 | – | | 2,228,868 |
| Income tax expense | (94,463) | (126,589) | (2,756) | – | | (223,808) |
| Profit for the year | 523,866 | 312,856 | 1,168,338 | | | 2,005,060 |
| Non-controlling interest | (23,849) | 1,852 | (144,662) | – | | (166,659) |
| Profit attributable to Owners of the Company | 500,017 | 314,708 | 1,023,676 | – | | 1,838,401 |
| **Analysed as:** | | | | | | |
| Core net profit | | | | | | |
| – Continuing operations | 500,017 | 314,708 | – | – | | 814,725 |
| – Discontinuing operations | – | – | 45,388 | – | | 45,388 |
| | 500,017 | 314,708 | 45,388 | – | | 860,113 |
| Non-core net profit – Gain arising from disposal of highway concessions | – | – | 978,288 | – | | 978,288 |
| | 500,017 | 314,708 | 1,023,676 | – | | 1,838,401 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

| 2023 | Engineering and construction RM'000 | Property development and club operations RM'000 | Highways RM'000 | Eliminations RM'000 | Note | Consolidated RM'000 |
|---|---|---|---|---|---|---|
| **Assets and liabilities** | | | | | | |
| Segment assets excluding interests in associated companies and joint arrangements | 7,675,837 | 14,718,350 | – | – | | 22,394,187 |
| Interest in associated companies | 161,142 | – | – | – | | 161,142 |
| Interest in joint arrangements | 519,002 | 709,978 | – | – | | 1,228,980 |
| Total assets | 8,355,981 | 15,428,328 | – | – | | 23,784,309 |
| Segment liabilities | | | | | | |
| Other liabilities | (3,726,826) | (2,207,225) | – | – | | (5,934,051) |
| Borrowings | (1,048,211) | (5,875,485) | – | – | | (6,923,696) |
| Total liabilities | (4,775,037) | (8,082,710) | – | – | | (12,857,747) |
| Net assets | 3,580,944 | 7,345,618 | – | – | | 10,926,562 |
| **Other information** | | | | | | |
| Interest income | (85,906) | (69,189) | – | – | | (155,095) |
| Depreciation and amortisation | 63,241 | 57,004 | – | – | | 120,245 |
| Non-cash items other than depreciation and amortisation | 33,775 | 2,550 | – | – | B | 36,325 |
| Additions to non-current assets | 1,052,581 | 670,001 | – | – | C | 1,722,582 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

| 2022 | Engineering and construction RM'000 | Property development and club operations RM'000 | Highways RM'000 | Eliminations RM'000 | Note | Consolidated RM'000 |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue as reported | 2,329,739 | 2,572,341 | 241,802 | – | | 5,143,882 |
| Share of revenue of joint ventures | 1,122,688 | 155,161 | 12,776 | – | | 1,290,625 |
| | 3,452,427 | 2,727,502 | 254,578 | – | | 6,434,507 |
| Inter-segment sales | 274,852 | – | – | (274,852) | A | – |
| Total revenue | 3,727,279 | 2,727,502 | 254,578 | (274,852) | | 6,434,507 |
| **Result** | | | | | | |
| Profit from operations | 165,337 | 469,304 | 81,134 | – | | 715,775 |
| Finance costs | (21,283) | (65,392) | (10,118) | – | | (96,793) |
| Share of profits of associated companies | 6,008 | – | 79,560 | – | | 85,568 |
| Share of profits of joint ventures | 339,896 | 3,929 | (32,265) | – | | 311,560 |
| Profit before tax | 489,958 | 407,841 | 118,311 | – | | 1,016,110 |
| Income tax expense | (58,485) | (97,900) | (23,679) | – | | (180,064) |
| Profit for the year | 431,473 | 309,941 | 94,632 | | | 836,046 |
| Non-controlling interest | (16,017) | 397 | (14,201) | – | | (29,821) |
| Profit attributable to Owners of the Company | 415,456 | 310,338 | 80,431 | – | | 806,225 |
| **Analysed as:** | | | | | | |
| Continuing operations | 415,456 | 310,338 | – | – | | 725,794 |
| Discontinuing operations | – | – | 80,431 | – | | 80,431 |
| | 415,456 | 310,338 | 80,431 | – | | 806,225 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

| 2022 | Engineering and construction RM'000 | Property development and club operations RM'000 | Highways RM'000 | Eliminations RM'000 | Note | Consolidated RM'000 |
|---|---|---|---|---|---|---|
| **Assets and liabilities** | | | | | | |
| Segment assets excluding interests in associated companies and joint arrangements | 4,147,020 | 12,677,467 | 399,071 | – | | 17,223,558 |
| Interest in associated companies | 13,035 | – | 64,571 | – | | 77,606 |
| Interest in joint arrangements | 353,674 | 579,389 | – | – | | 933,063 |
| | 4,513,729 | 13,256,856 | 463,642 | – | | 18,234,227 |
| Assets held for sale (Note 47) | – | – | 2,028,499 | – | | 2,028,499 |
| Total assets | 4,513,729 | 13,256,856 | 2,492,141 | – | | 20,262,726 |
| Segment liabilities | | | | | | |
| Other liabilities | (2,687,454) | (1,911,239) | (170,503) | – | | (4,769,196) |
| Borrowings | (145,000) | (4,635,064) | – | – | | (4,780,064) |
| | (2,832,454) | (6,546,303) | (170,503) | – | | (9,549,260) |
| Liabilities directly associated with the assets held for sale | – | – | (459,054) | – | | (459,054) |
| Total liabilities | (2,832,454) | (6,546,303) | (629,557) | – | | (10,008,314) |
| Net assets | 1,681,275 | 6,710,553 | 1,862,584 | – | | 10,254,412 |
| **Other information** | | | | | | |
| Interest income | (27,044) | (84,382) | (13,492) | – | | (124,918) |
| Depreciation and amortisation | 37,431 | 50,205 | 153,220 | – | | 240,856 |
| Non-cash items other than depreciation and amortisation | (10,648) | 2,964 | 6,498 | – | B | (1,186) |
| Additions to non-current assets | 69,691 | 620,599 | 9,756 | – | C | 700,046 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Other material non cash expenses/(income) consist of the following item as presented in the respective notes to the financial statements:

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| **Continuing operations** | | |
| Property, plant and equipment written off | **1,605** | **422** |
| Unrealised (gain)/loss on foreign exchange | **(8,938)** | **578** |
| Fair value loss/(gain) on CCIRS loan | **15,392** | **(16,418)** |
| Provisions | **28,266** | **8,016** |
| | **36,325** | **(7,402)** |
| **Discontinued operations** | | |
| Provisions | **–** | **6,216** |
| | **36,325** | **(1,186)** |

C Additions to non-current assets consist of:

| | Note | 2023 RM'000 | 2022 RM'000 |
|---|---|---|---|
| **Continuing operations** | | | |
| Property, plant and equipment | 12 | **650,078** | 205,725 |
| Investment properties | 14 | **10,939** | 2,658 |
| Right-of-use assets | 15 | **103,474** | 6,140 |
| Land held for property development | 13(a) | **409,623** | 475,507 |
| Water concession expenditure | 16(b) | **28,417** | 9,537 |
| Goodwill | 16(a) | **520,051** | – |
| **Discontinued operations** | | | |
| Expressway concession expenditure | 16(b) | **–** | 479 |
| | | **1,722,582** | 700,046 |

Additions to non-current assets excludes interests in associated companies and interests in joint arrangements and deferred tax assets.

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

### Geographical information

| | Revenues | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Malaysia | **3,559,334** | 3,141,935 |
| Outside Malaysia | | |
| – Vietnam | **1,174,482** | 1,255,387 |
| – Australia | **2,679,880** | 343,697 |
| – Singapore | **253,644** | 115,141 |
| – Taiwan | **583,723** | 287,722 |
| – Qatar | **17,056** | – |
| | **4,708,785** | 2,001,947 |
| Consolidated | **8,268,119** | 5,143,882 |
| Share of revenue of joint ventures | | |
| – Malaysia | **809,836** | 1,290,625 |
| Total revenue | **9,077,955** | 6,434,507 |

| | Non-current assets | |
|---|---|---|
| | **2023 RM'000** | **2022 RM'000** |
| Malaysia | **5,274,762** | 4,860,587 |
| Outside Malaysia | | |
| – Vietnam | **538,937** | 507,222 |
| – Australia | **930,758** | 61,304 |
| – Singapore | **3,503** | 2,071 |
| – Taiwan | **4,340** | 80 |
| – United Kingdom | **–** | 80,063 |
| | **1,477,538** | 650,740 |
| Consolidated | **6,752,300** | 5,511,327 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 46. SEGMENT INFORMATION (CONT'D.)

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

| | 2023 RM'000 | 2022 RM'000 |
|---|---|---|
| Property, plant and equipment | **1,648,981** | 1,095,482 |
| Land held for property development | **3,666,091** | 3,507,908 |
| Investment properties | **631,027** | 691,494 |
| Right-of-use assets | **168,392** | 79,319 |
| Concession development expenditure | **140,226** | 137,124 |
| Goodwill | **497,583** | – |
| | **6,752,300** | 5,511,327 |
| Interests in associated companies | **161,142** | 77,606 |
| Interests in joint arrangements | **1,228,980** | 933,063 |
| Other investments | **12,439** | 7,802 |
| Deferred tax assets | **135,616** | 64,246 |
| Receivables and other financial assets | **270,596** | 324,653 |
| | **8,561,073** | 6,918,697 |

The disclosure above includes minimum information and other voluntary disclosures in accordance with Paragraph 33(b) MFRS 8.

## 47. NON-CURRENT ASSETS HELD FOR SALE/DISTRIBUTION AND DISCONTINUED OPERATIONS

On the Completion date of 13 October 2022, the Concession Holding Companies completed the disposal of all its securities in their respective highway concession companies for a total consideration of RM4,260,000,000 where the consideration attributable to the Group amounts to RM2,744,986,000, attributable to the Owners of the Company is RM2,353,713,000.

As such, the Group had recognised a gain on disposal of RM1,111,124,000 where the amount attributable to the owners of the Company is RM978,288,000.

The Group's highway concession segment have been presented as discontinued operations in the financial statements of the Group up to the completion date.

(a) The financial results of the discontinued operations of Disposals of Highways is as follows:

| | Group | |
|---|---|---|
| | 01.08.2022 to 12.10.2022 RM'000 | 01.08.2021 to 31.07.2022 RM'000 |
| Revenue | 47,693 | 241,802 |
| Operating expenses | (9,888) | (171,527) |
| Other income | 3,365 | 10,859 |
| **Profit from discontinued operations** | 41,170 | 81,134 |
| Finance costs | (3,065) | (10,118) |
| Share of profits of associated companies | 21,865 | 79,560 |
| Share of losses of joint ventures | – | (32,265) |
| Profit before taxation | 59,970 | 118,311 |
| Income tax expenses | (2,756) | (23,679) |
| **Core profit for the period/year from discontinued operations** | 57,214 | 94,632 |

## 47. NON-CURRENT ASSETS HELD FOR SALE/DISTRIBUTION AND DISCONTINUED OPERATIONS (CONT'D.)

(a) The financial results of the discontinued operations of Disposals of Highways is as follows: (cont'd.)

| | Group | |
|---|---|---|
| | 01.08.2022 to 12.10.2022 RM'000 | 01.08.2021 to 31.07.2022 RM'000 |
| **Core profit for the period/year from discontinued operations** | 57,214 | 94,632 |
| One-off gain arising from disposal of highway concessions | 1,111,124 | – |
| **Profit for the period/year from discontinued operations** | 1,168,338 | 94,632 |
| Attributable to: | | |
| Owners of the Company | 1,023,676 | 80,431 |
| Non-controlling interests | 144,662 | 14,201 |
| | 1,168,338 | 94,632 |
| Profit before taxation: | | |
| – Core profit | 59,970 | 118,311 |
| – One-off gain arising from disposal of highway concessions | 1,111,124 | – |
| Total profit before taxation | 1,171,094 | 118,311 |

(b) The details of the disposal at Completion date were as follows:

| Group | As at date of completion RM'000 | As at 31 July 2022 RM'000 |
|---|---|---|
| **Assets** | | |
| Highway development expenditure | 948,528 | 948,528 |
| Property, plant and equipment | 1,370 | 1,623 |
| Interests in associated companies | 764,006 | 742,195 |
| Other investment | 79 | 79 |
| Deferred tax assets | 8,644 | 8,644 |
| Sundry receivables | 44,785 | 45,324 |
| Tax recoverable | 211 | 211 |
| Investment securities | – | 4,011 |
| Cash and bank balances | 214,611 | 277,884 |
| | 1,982,234 | 2,028,499 |

# NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

– 31 July 2023

## 47. NON-CURRENT ASSETS HELD FOR SALE/DISTRIBUTION AND DISCONTINUED OPERATIONS (CONT'D.)

(b) The details of the disposal at Completion date were as follows: (cont'd.)

| Group | As at date of completion RM'000 | As at 31 July 2022 RM'000 |
|---|---|---|
| **Liabilities** | | |
| Islamic borrowing | 105,000 | 195,000 |
| Contract liabilities | 2,942 | 3,455 |
| Deferred tax liabilities | 206,434 | 213,293 |
| Provision for liabilities | – | 30,994 |
| Payables | 33,996 | 16,312 |
| | 348,372 | 459,054 |
| Net assets of disposal group classified as held for sale | 1,633,862 | 1,569,445 |
| Total consideration arising from Disposals | 2,744,986 | |
| Less: Net assets of the Disposals on date of completion | (1,633,862) | |
| Gain arising from disposal of highway concession companies | 1,111,124 | |
| Disposal gain attributable to the Owners of the Company | 978,288 | |
| Disposal gain attributable to non-controlling interest | 132,836 | |
| | 1,111,124 | |

The net cash flows arising from the Disposals on 31 July 2023 are as follows:

| | RM'000 |
|---|---|
| Total disposal proceeds received/receivable | 2,744,986 |
| Less: Total proceeds received | (2,564,055) |
| Balance proceeds receivable | 180,931 |

On 10 August 2023, the Company had received capital repayment of RM116,499,000 from LITRAK Holdings in relation to the balance proceeds receivable.

(c) The details of the assets held for distribution were as follows:

| Company | As at 31 July 2022 RM'000 |
|---|---|
| Investment in subsidiaries | 385,134 |
| Interests in associated companies | 250,214 |
| Assets held for distribution | 635,348 |

Pursuant to the completion of the disposal of the highway concessions, the assets held for distribution amounting to RM635,348,000 was recovered by the Company through dividend income received from the concession holdings companies.

# ANALYSIS OF SECURITIES OF COMPANY

As of 6 October 2023

## ANALYSIS OF SHAREHOLDINGS

| | | |
|---|---|---|
| Total Number of Issued Shares | : | 2,696,812,568 ordinary shares |
| Type of shares | : | Ordinary shares |
| Voting rights | : | 1 vote per share on a poll |
| No. of shareholders | : | 18,718 |

## DISTRIBUTION OF SHAREHOLDINGS

| Size of Holdings | No. of Holders | % | No. of Holdings | % |
|---|---|---|---|---|
| Less than 100 | 939 | 5.02 | 26,579 | 0.00 |
| 100 – 1,000 | 4,728 | 25.26 | 3,261,851 | 0.12 |
| 1,001 – 10,000 | 9,429 | 50.37 | 36,444,199 | 1.35 |
| 10,001 – 100,000 | 2,655 | 14.18 | 76,007,271 | 2.82 |
| 100,001 – 134,840,627 (less than 5% of issued shares) | 966 | 5.16 | 2,339,527,058 | 86.75 |
| 134,840,628 and above (5% and above of issued shares) | 1 | 0.01 | 241,545,610 | 8.96 |
| **Total** | **18,718** | **100.00** | **2,696,812,568** | **100.00** |

## SUBSTANTIAL SHAREHOLDERS

(as per Register of Substantial Shareholders and exclude bare trustee)

| | <------ Direct Interest ------> | | <----- Indirect Interest -----> | |
|---|---|---|---|---|
| Name of Substantial Shareholder | No. of Shares | % | No. of Shares | % |
| Employees Provident Fund Board | 319,086,394 | 11.83 | – | – |

# ANALYSIS OF SECURITIES OF COMPANY (CONT'D.)

As of 6 October 2023

## DIRECTORS' INTEREST IN ORDINARY SHARES OF THE COMPANY

(as per Register of Directors' Shareholdings)

| | <----- Direct Interest -----> | | <----- Indirect Interest -----> | |
|---|---|---|---|---|
| Name of Director | No. of Shares | % | No. of Shares | % |
| Tan Sri Dato' Setia Haji Ambrin bin Buang | – | – | – | – |
| Dato' Lin Yun Ling | 79,215,239 *3 | 2.94 | – | – |
| Dato' Ir Ha Tiing Tai | 31,904,000 *3 | 1.18 | 92,800 *1 | *4 |
| Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah | 240,646 | 0.01 | 115,942,360 *2 | 4.30 |
| Nazli binti Mohd Khir Johari | – | – | – | – |
| Chan Wai Yen, Millie | – | – | – | – |
| Chia Aun Ling | – | – | – | – |
| Justin Chin Jing Ho (Alternate to Dato' Ir Ha Tiing Tai) | – | – | – | – |

***Notes:***

*1 *Through son*

*2 *Through Generasi Setia (M) Sdn Bhd*

*3 *Held in own name and in nominee name*

*4 *Negligible*

## TOP 30 SHAREHOLDERS AS PER RECORD OF DEPOSITORS

(without aggregating the securities from different securities accounts belonging to the same Depositors)

| No. | Name | No. of Shares Held | % |
|---|---|---|---|
| 1. | Citigroup Nominees (Tempatan) Sdn Bhd – *Employees Provident Fund Board* | 241,545,610 | 8.96 |
| 2. | Citigroup Nominees (Tempatan) Sdn Bhd – *Exempt An for AIA Bhd* | 112,863,674 | 4.19 |
| 3. | Amanahraya Trustees Berhad – *Amanah Saham Bumiputera* | 103,886,860 | 3.85 |
| 4. | Generasi Setia (M) Sdn Bhd | 102,000,000 | 3.78 |
| 5. | Kumpulan Wang Persaraan (Diperbadankan) | 98,774,750 | 3.66 |
| 6. | Dato' Lin Yun Ling | 78,015,239 | 2.89 |
| 7. | Amanahraya Trustees Berhad – *Amanah Saham Malaysia 2 - Wawasan* | 74,266,700 | 2.75 |
| 8. | Citigroup Nominees (Tempatan) Sdn Bhd – *Urusharta Jamaah Sdn Bhd (1)* | 69,964,571 | 2.59 |
| 9. | Amanahraya Trustees Berhad – *Amanah Saham Malaysia 3* | 61,809,688 | 2.29 |
| 10. | Amanahraya Trustees Berhad – *Amanah Saham Malaysia* | 55,983,423 | 2.08 |
| 11. | Lembaga Tabung Haji | 51,327,515 | 1.90 |
| 12. | Permodalan Nasional Berhad | 49,538,900 | 1.84 |
| 13. | Amanahraya Trustees Berhad – *Amanah Saham Bumiputera 3 - Didik* | 49,113,600 | 1.82 |

# ANALYSIS OF SECURITIES OF COMPANY (CONT'D.)

As of 6 October 2023

| No. | Name | No. of Shares Held | % |
|---|---|---|---|
| 14. | Citigroup Nominees (Tempatan) Sdn Bhd<br>– *Employees Provident Fund Board (NOMURA)* | 37,441,101 | 1.39 |
| 15. | Amanahraya Trustees Berhad<br>– *Amanah Saham Bumiputera 2* | 34,020,900 | 1.26 |
| 16. | HSBC Nominees (Asing) Sdn Bhd<br>– *JPMCB NA for Vanguard Emerging Markets Stock Index Fund* | 32,643,617 | 1.21 |
| 17. | Cartaban Nominees (Asing) Sdn Bhd<br>– *Exempt An for State Street Bank & Trust Company (WEST CLT OD67)* | 32,003,100 | 1.19 |
| 18. | HSBC Nominees (Asing) Sdn Bhd<br>– *JPMCB NA for Vanguard Total International Stock Index Fund* | 31,843,712 | 1.18 |
| 19. | Ng Kee Leen | 29,462,464 | 1.09 |
| 20. | Maybank Nominees (Tempatan) Sdn Bhd<br>– *Maybank Trustees Berhad for Public Ittikal Fund (N14011970240)* | 28,000,970 | 1.04 |
| 21. | Citigroup Nominees (Asing) Sdn Bhd<br>– *Exempt An for Citibank New York (Norges Bank 19)* | 26,829,679 | 0.99 |
| 22. | Citigroup Nominees (Tempatan) Sdn Bhd<br>– *Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)* | 26,422,743 | 0.98 |
| 23. | Dato' Ir. Ha Tiing Tai | 25,748,000 | 0.95 |
| 24. | Cartaban Nominees (Tempatan) Sdn Bhd<br>– *PAMB for Prulink Equity Fund* | 20,466,134 | 0.76 |
| 25. | Amanahraya Trustees Berhad<br>– *Public Ittikal Sequel Fund* | 18,777,560 | 0.70 |
| 26. | Amanahraya Trustees Berhad<br>– *Public Islamic Dividend Fund* | 17,325,205 | 0.64 |
| 27. | Goon Heng Wah | 16,405,460 | 0.61 |
| 28. | HSBC Nominees (Asing) Sdn Bhd<br>– *JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II* | 15,042,600 | 0.56 |
| 29. | Citigroup Nominees (Asing) Sdn Bhd<br>– *CB Spore GW for Government of Singapore (GIC C)* | 15,002,185 | 0.56 |
| 30. | Citigroup Nominees (Tempatan) Sdn Bhd<br>– *Great Eastern Life Assurance (Malaysia) Berhad (PAR 3)* | 14,134,082 | 0.52 |
| | **Total** | **1,570,660,042** | **58.23** |

## SHARE OPTIONS HELD BY DIRECTORS OF THE COMPANY

(Share Options held under the Gamuda Berhad Employees' Share Option Scheme)

| Name of Director | No. of Share Options Held |
|---|---|
| Dato' Lin Yun Ling | 3,600,000 |
| Dato' Ir Ha Tiing Tai | 2,800,000 |
| Justin Chin Jing Ho<br>*(Alternate to Dato' Ir Ha Tiing Tai)* | 2,400,000 |

# ISSUED SHARE CAPITAL

| Date/ Year of Allotment | No. of Shares Allotted | Description | Cumulative No. of Issued Shares |
|---|---|---|---|
| 06.10.1976 | 2 | Cash – Subscribers' shares | 2 |
| 26.12.1976 | 199,998 | Cash | 200,000 |
| 10.10.1977 | 200,000 | Cash | 400,000 |
| 30.07.1981 | 100,000 | Cash | 500,000 |
| 21.07.1984 | 500,000 | Bonus Issue on the basis of 1 new ordinary share for every 1 existing ordinary share held | 1,000,000 |
| 24.07.1985 | 250,000 | Cash | 1,250,000 |
| 29.07.1985 | 500,000 | Issued as consideration for the acquisition of several companies | 1,750,000 |
| 31.07.1986 | 750,000 | Cash | 2,500,000 |
| 30.07.1987 | 750,000 | Bonus Issue in the proportion of 3 new ordinary shares for every 10 existing ordinary shares held | 3,250,000 |
| 30.07.1988 | 1,750,000 | Bonus Issue in the proportion of 7 new ordinary shares for every 10 existing ordinary shares held | 5,000,000 |
| 30.07.1990 | 3,000,000 | Bonus Issue in the proportion of 3 new ordinary shares for every 5 existing ordinary shares held | 8,000,000 |
| 29.04.1992 | 11,000,000 | Bonus Issue in the proportion of 1,375 new ordinary shares for every 1,000 existing ordinary shares held | 19,000,000 |
| 29.04.1992 | 23,976,667 | Issued as consideration for the acquisition of Gammau Construction Sdn Bhd and Ganaz Bina Sdn Bhd | 42,976,667 |
| 05.06.1992 | 19,086,333 | Rights Issue in the proportion of 2,386 new ordinary shares for every 1,000 existing ordinary shares held | 62,063,000 |
| 18.01.1995 | 20,687,667 | Bonus Issue in the proportion of 1 new ordinary share for every 3 existing ordinary shares held | 82,750,667 |
| 20.03.1995 | 7,757,875 | Rights Issue in the proportion of 1 new ordinary share for every 8 existing ordinary shares held | 90,508,542 |
| 24.01.1996 – 26.12.1996 | 24,547,169 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1995/2000 | 115,055,711 |
| 16.01.1997 | 153,407,614 | Bonus Issue in the proportion of 4 new ordinary shares for every 3 existing ordinary shares held | 268,463,325 |
| 12.03.1997 | 19,175,951 | Rights Issue in the proportion of 1 new ordinary share for every 6 existing ordinary shares held | 287,639,276 |

# ISSUED SHARE CAPITAL (CONT'D.)

| Date/ Year of Allotment | No. of Shares Allotted | Description | Cumulative No. of Issued Shares |
|---|---|---|---|
| 20.01.1997 – 24.11.1997 | 2,057,133 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1995/2000 | 289,696,409 |
| 22.10.1998 – 31.12.1998 | 99,000 | Issued pursuant to exercise of options under ESOS | 289,795,409 |
| 07.01.1999 – 30.12.1999 | 15,979,428 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1995/2000 | 305,774,837 |
| 05.01.2000 – 16.07.2000 | 37,201,999 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1995/2000 | 342,976,836 |
| 03.03.2000 | 322,213,836 | Bonus Issue in the proportion of 1 new ordinary share for every 1 existing ordinary share held | 665,190,672 |
| 31.01.2001 – 19.12.2001 | 807,000 | Issued pursuant to exercise of options under ESOS | 665,997,672 |
| 02.01.2002 – 27.12.2002 | 8,646,002 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1996/2006 and 2001/2007 | 674,643,674 |
| 13.01.2003 – 31.12.2003 | 51,251,218 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1996/2006 and 2001/2007 | 725,894,892 |
| 07.01.2004 – 23.12.2004 | 13,209,252 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2001/2007 | 739,104,144 |
| 05.01.2005 – 29.12.2005 | 14,128,000 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2001/2007 | 753,232,144 |
| 26.10.2006 – 29.12.2006 | 37,982,965 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1996/2006 and 2001/2007 | 791,215,109 |
| 08.01.2007 – 28.12.2007 | 207,268,945 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 1996/2006 and 2001/2007 | 998,484,054 |
| 25.10.2007 | 994,963,054 | Bonus Issue on the basis of 1 new ordinary share for every 1 existing ordinary share held | 1,993,447,108 |
| 09.01.2008 – 19.12.2008 | 12,736,000 | Issued pursuant to exercise of options under ESOS | 2,006,183,108 |
| 23.01.2009 – 22.12.2009 | 10,589,000 | Issued pursuant to exercise of options under ESOS | 2,016,772,108 |
| 11.01.2010 – 29.12.2010 | 29,439,485 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2010/2015 | 2,046,211,593 |
| 04.01.2011 – 30.12.2011 | 21,563,311 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2010/2015 | 2,067,774,904 |
| 03.01.2012 – 31.12.2012 | 18,690,762 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2010/2015 | 2,086,465,666 |

# ISSUED SHARE CAPITAL (CONT'D.)

| Date/ Year of Allotment | No. of Shares Allotted | Description | Cumulative No. of Issued Shares |
|---|---|---|---|
| 07.01.2013 – 30.12.2013 | 205,859,001 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2010/2015 | 2,292,324,667 |
| 06.01.2014 – 29.12.2014 | 49,464,512 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2010/2015 | 2,341,789,179 |
| 06.01.2015 – 22.06.2015 | 64,115,876 | Conversion of Warrants 2010/2015 | 2,405,905,055 |
| 07.01.2016 – 28.12.2016 | 18,193,855 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2016/2021 | 2,424,098,910 |
| 05.01.2017 – 29.12.2017 | 31,451,816 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2016/2021 | 2,455,550,726 |
| 08.01.2018 – 07.09.2018 | 12,498,225 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2016/2021 | 2,468,048,951 |
| 18.01.2019 – 23.12.2019 | 7,753,082 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2016/2021 | 2,475,802,033 |
| 07.01.2020 – 13.04.2020 | 17,895,782 | Issued pursuant to exercise of options under ESOS & Conversion of Warrants 2016/2021 | 2,493,697,815 |
| 25.02.2020 | 19,829,839 | Issued pursuant to First Dividend Reinvestment Plan | 2,513,527,654 |
| 26.02.2021 – 09.03.2021 | 800 | Issued pursuant to Conversion of Warrants 2016/2021 | 2,513,528,454 |
| 08.03.2022 – 28.12.2022 | 102,112,578 | Issued pursuant to exercise of options under ESOS & Second & Third Dividend Reinvestment Plans | 2,615,641,032 |
| 10.01.2023 - 29.09.2023 | 81,171,536 | Issued pursuant to exercise of options under ESOS & Fourth & Fifth Dividend Reinvestment Plans | 2,696,812,568 |

# LIST OF MAJOR PROPERTIES

Held as at 31 July 2023

| No | Location | Tenure | Usage | Area | Year of Valuation/ Acquisition | Year of expiry | Approximate age of building (Years) | NBV (RM'000) |
|---|---|---|---|---|---|---|---|---|
| 1 | Block D, PJ Trade Centre<br>No. 8, Jalan PJU 8/8A<br>Bandar Damansara Perdana<br>47820 Petaling Jaya<br>Selangor Darul Ehsan | Leasehold | 20 storey office tower/ Menara Gamuda | 37,805 sq m | 2011 | 2104 | 14 | 109,577 |
| 2 | No. 30, Jalan SS2/44<br>47300 Petaling Jaya, Selangor | Freehold | Bungalow | 501 sq m | 1991 | – | 37 | 266 |
| 3 | No. 36/38, Jalan SS21/62<br>47400 Petaling Jaya, Selangor | Freehold | 2 blocks, 4 storey shoplot/office | 286 sq m | 1991 | – | 29 | 824 |
| 4 | No. 39, Jalan SS22/23<br>47400 Petaling Jaya, Selangor | Freehold | 4 storey shoplot/office | 153 sq m | 2007 | – | 29 | 516 |
| 5 | No. 53, Jalan SS22/23<br>47400 Petaling Jaya, Selangor | Freehold | 4 storey shoplot/office | 153 sq m | 2006 | – | 34 | 1,096 |
| 6 | No. 55-61, Jalan SS22/23<br>47400 Petaling Jaya, Selangor | Freehold | 4 blocks, 4 storey shoplot/office | 612 sq m | 1992 | – | 32 | 6,009 |
| 7 | No. 54-58, Jalan SS22/25<br>47400 Petaling Jaya, Selangor | Freehold | 3 blocks, 4 storey shoplot/office | 460 sq m | 2006 | – | 31 | 3,852 |
| 8 | HS (D) 54871, PT No. 56274<br>Mukim & District of Kelang<br>Selangor | Freehold | Industrial estate/ workshop | 16,898 sq m | 1995 | – | – | 6,458 |
| 9 | Lot 66100, Geran 331933<br>Mukim of Tanjung Duabelas<br>District of Kuala Langat, Selangor | Freehold | Industrial land/ Industrial Building System ('IBS') factory | 66 acres | 2016 | – | 5 | 173,181 |
| 10 | Lot 195821, 195822, 195823, 195824, 195825, 195826, 195827, 46482, 57417 all in the Mukim of Kampar District of Kinta, 31350 Ipoh, Perak | Leasehold | Granite hill, limestone hill and industrial land/quarry | 469,493 sq m | 1991 | 2050 | – | 2,812 |
| 11 | PT 183485<br>Meru Industrial Estate<br>Jelapang, 30020 Ipoh, Perak | Leasehold | Industrial estate/store | 12,144 sq m | 1991 | 2050 | 27 | 411 |
| 12 | PT 51683, Jalan Jelapang<br>30020 Ipoh, Perak | Leasehold | Industrial estate/ workshop | 4,353 sq m | 1991 | 2043 | 33 | 257 |
| 13 | No. 152, Jalan Gopeng<br>31350 Ipoh, Perak | Leasehold | 3 storey shoplot/ office | 164 sq m | 1991 | 2078 | 37 | 108 |
| 14 | No. 158, Jalan Gopeng<br>31350 Ipoh, Perak | Leasehold | 3 storey shoplot/ office | 163 sq m | 1991 | 2078 | 37 | 118 |
| 15 | Quayside Mall, Gamuda Kemuning<br>25.7, Persiaran Freesia<br>42500 Telok Panglima Garang, Selangor | Leasehold | 5 storey retail mall | 28,868 sq m | 2017 | 2116 | 3 | 269,691 |

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**YBhg Tan Sri Dato' Setia Haji Ambrin bin Buang**
Chairman

**YBhg Dato' Lin Yun Ling**
Group Managing Director

**YBhg Dato' Ir Ha Tiing Tai**
Deputy Group Managing Director

**YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah**
Non-Independent Non-Executive Director

**Puan Nazli binti Mohd Khir Johari**
Independent Non-Executive Director

**Ms. Chan Wai Yen, Millie**
Independent Non-Executive Director

**Ms. Chia Aun Ling**
Independent Non-Executive Director

**Mr. Justin Chin Jing Ho**
Alternate to YBhg Dato' Ir Ha Tiing Tai
Managing Director, Gamuda Engineering

## AUDIT COMMITTEE

**Puan Nazli binti Mohd Khir Johari**
(Chairperson)

**Ms. Chan Wai Yen, Millie**

**Ms. Chia Aun Ling**

## NOMINATION COMMITTEE

**Puan Nazli binti Mohd Khir Johari**
(Chairperson)

**Ms. Chan Wai Yen, Millie**

**Ms. Chia Aun Ling**

## REMUNERATION COMMITTEE

**YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah**
(Chairperson)

**YBhg Dato' Lin Yun Ling**

**Ms. Chan Wai Yen, Millie**

## COMPANY SECRETARIES

**Ms. Lim Soo Lye**
(LS 0006461)
(SSM PC NO. 201908002053)

**Ms. Pang Siok Tieng**
(MAICSA 7020782)
(SSM PC NO. 201908001079)

## COMPANY REGISTRATION NO.

197601003632 (29579-T)

## DATE AND PLACE OF INCORPORATION

6 October 1976, Malaysia

## LISTING DATE

10 August 1992

## INVESTOR RELATIONS

**Mr. Clarence Boudville**
Level 17, Menara Gamuda
Block D, PJ Trade Centre
No. 8, Jalan PJU 8/8A
Bandar Damansara Perdana
47820 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-7491 2682
Fax : 603-7727 4594
Email : IR@gamuda.com.my

## REGISTERED OFFICE/ CORPORATE OFFICE

**Menara Gamuda**
D-16-01, Block D, PJ Trade Centre
No. 8, Jalan PJU 8/8A
Bandar Damansara Perdana
47820 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-7491 8288
Fax : 603-7728 9811
Email : gbcosec@gamuda.com.my
Web : www.gamuda.com.my

## SHARE REGISTRAR

**Tricor Investor & Issuing House Services Sdn Bhd**
**197101000970 (11324-H)**
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 603-2783 9299
Fax : 603-2783 9222
Email : is.enquiry@my.tricorglobal.com
Web : www.tricorglobal.com

**Tricor's Customer Service Centre**
Unit G-3, Ground Floor, Vertical Podium
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

## AUDITORS

**Ernst & Young PLT**
**202006000003 (LLP0022760-LCA) & AF 0039**
**Chartered Accountants**
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 603-7495 8000
Fax : 603-2095 5332
Web : www.ey.com

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code: Gamuda
Stock No: 5398

## PRINCIPAL BANKER

Malayan Banking Berhad

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Forty-seventh (**"47th"**) Annual General Meeting (**"AGM"**) of Gamuda Berhad (**"Gamuda" or "Company"**) will be conducted fully virtual through online meeting platform via TIIH Online website at https://tiih.online or https://tiih.com.my (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia, on Thursday, 7 December 2023 at 10:00 a.m. for the purpose of transacting the following businesses:-

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 July 2023 together with the Reports of the Directors and Auditors thereon. **[Please refer to Explanatory Note No. 4 (a)]**

2. To approve the payment of Directors' fees for the financial year ended 31 July 2023. **(Ordinary Resolution 1)**

3. To approve the payment of Directors' remuneration (excluding Directors' fees) of up to an amount of RM380,000/- for the period from 8 December 2023 until the next AGM of the Company to be held in 2024. **(Ordinary Resolution 2)**

4. To re-elect the following Directors who are retiring by rotation in accordance with Clause 105 of the Constitution of the Company and, who being eligible, offer themselves for re-election:-

   (a) YBhg Tan Sri Dato' Setia Haji Ambrin Buang; and **(Ordinary Resolution 3)**
   (b) YTM Raja Dato' Seri Eleena Almarhum Sultan Azlan Muhibuddin Shah Al-Maghfur-lah **("YTM Raja Dato' Seri Eleena")** **(Ordinary Resolution 4)**

5. To re-elect Ms. Chia Aun Ling, a Director appointed during the year, who is retiring in accordance with Clause 111 of the Constitution of the Company and, who being eligible, offers herself for re-election. **(Ordinary Resolution 5)**

6. To re-appoint Ernst & Young PLT, the retiring Auditors and to authorise the Directors of the Company to fix their remuneration. **(Ordinary Resolution 6)**

## AS SPECIAL BUSINESS:-

To consider and, if thought fit, to pass with or without modification(s), the following resolutions:

7. **Authority to issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016** **(Ordinary Resolution 7)**

   "THAT subject always to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant governmental regulatory authorities (if required), the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company, from time to time, and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares) (**"New Shares"**) for the time being (**"Authority"**) AND THAT the Directors be and are also empowered to obtain the approval for the listing of, and quotation for the New Shares so issued on Bursa Malaysia Securities Berhad [Co. Regn. No. 200301033577 (635998-W)] (**"Bursa Securities"**) AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next AGM of the Company.

   THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 62 of the Constitution of the Company, the shareholders of the Company do hereby waive their statutory pre-emptive rights over all New Shares issued under the Authority."

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

8. **Proposed Renewal of Share Buy-back Authority** **(Ordinary Resolution 8)**

"THAT subject to the provisions of the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of the relevant governmental regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company (**"Proposed Share Buy-back"**) as may be determined by the Directors of the Company, from time to time, through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

i. the aggregate number of ordinary shares to be purchased pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company; and
ii. an amount not exceeding the retained profits of the Company shall be allocated by the Company for the Proposed Share Buy-back;

AND THAT at the absolute discretion of the Directors of the Company, upon such purchase by the Company of its own shares, the purchased shares shall be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on Bursa Securities and/or in any other manner as prescribed by the Companies Act 2016.

THAT the Directors of the Company be and are hereby empowered to do all such acts and enter into all such transactions, arrangements and agreements, and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions as may be necessary or expedient in order to give full effect to the Proposed Share Buy-back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as the Directors may, in their absolute discretion, deem fit and in the interest of the Company and/or as may be imposed or agreed to by any relevant authorities;

AND THAT the authority hereby given shall commence immediately upon the passing of this resolution and shall continue to be in force until:

i. the conclusion of the next AGM of the Company at which time it will lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or
ii. the expiration of the period within which the next AGM after that date is required by law to be held; or
iii. revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authorities."

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

9. **Issuance of New Ordinary Shares in the Company ("New Gamuda Shares") pursuant to the Dividend Reinvestment Plan that provides Shareholders of the Company with an Option to Elect to Reinvest their Cash Dividends into New Gamuda Shares ("Dividend Reinvestment Plan")** **(Ordinary Resolution 9)**

   "THAT pursuant to the Dividend Reinvestment Plan as approved by the shareholders of the Company at the Extraordinary General Meeting of the Company held on 5 December 2019, and subject to the approvals of all relevant regulatory authorities or parties being obtained, where required, approval be and is hereby given for the Company to allot and issue such number of New Gamuda Shares from time to time as may be required to be allotted and issued pursuant to the Dividend Reinvestment Plan upon such terms and conditions and to such persons as the Directors of the Company may, at its absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the New Gamuda Shares shall be fixed by the Directors of the Company at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price **("VWAMP")** of the existing ordinary shares of Gamuda immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of the New Gamuda Shares AND THAT such authority to allot and issue New Gamuda Shares shall continue to be in force until the conclusion of the next AGM of the Company;

   AND THAT the Directors and the Secretaries of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions as may be necessary or expedient in order to give full effect to the Dividend Reinvestment Plan, with full powers to assent to any conditions, modifications, variations and/or amendments (if any), including suspension and termination of the Dividend Reinvestment Plan as the Directors may, in their absolute discretion, deem fit and in the interest of the Company and/or as may be imposed or agreed to by any relevant authorities."

10. To transact any other business of which due notice shall have been given.

**BY ORDER OF THE BOARD**

**LIM SOO LYE**
**(LS0006461) (SSM PC NO. 201908002053)**

**PANG SIOK TIENG**
**(MAICSA 7020782) (SSM PC NO. 201908001079)**
**Company Secretaries**

Petaling Jaya
8 November 2023

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

**NOTES:**

## 1. Virtual Meeting

Continuing the Company's commitment to sustainable practices and to promote eco-friendliness, the 47th AGM of the Company will be conducted fully virtual through TIIH online meeting platform. Shareholders can access the 47th AGM at https://tiih.online or https://tiih.com.my (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia.

Please follow the procedures provided in the Administrative Details for the 47th AGM in order to register, participate and vote remotely via the Remote Participation & Voting Platform (**"RPV"**).

## 2. General Meeting Record of Depositors

For purposes of determining who shall be entitled to participate at the 47th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd [Co. Regn. No. 198701006854 (165570-W)] to make available to the Company pursuant to Clause 72 of the Constitution of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Securities, a Record of Depositors as at 30 November 2023 and only a Depositor whose name appears on such Record of Depositors shall be entitled to participate and/or vote at the 47th AGM or appoint a proxy or proxies to participate and/or vote on his/her behalf.

## 3. Proxy

a. Every Member of the Company is entitled to:-

   i. appoint another person as his proxy to exercise all or any of his rights to attend, participate and vote at the 47th AGM and that proxy may but need not be a Member of the Company; and

   ii. appoint more than one (1) person as his proxy provided that he specifies the proportions of his shareholdings to be represented by each proxy.

b. Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where an Authorised Nominee appoints two (2) proxies in respect of each Securities Account, the appointment shall be invalid unless the Authorised Nominee specifies the proportions of the shareholdings to be represented by each proxy.

c. Where a Member is an Exempt Authorised Nominee which holds Securities for multiple beneficial owners in one (1) Securities Account (**"Omnibus Account"**), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account and, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the number of shares to be represented by each proxy.

d. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

e. Forms of Proxy can be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the 47th AGM or at any adjournment thereof:

   i. Hard copy

   The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia;

   OR

   ii. Electronic form

   You may also submit the Form of Proxy electronically via TIIH Online website at https://tiih.online by following the procedures provided in the Administrative Details for this AGM.

f. A Member who has appointed a proxy to participate in this AGM must request his/her proxy to register himself/herself for the RPV at Tricor's TIIH Online website at https://tiih.online. Please follow the procedures in the Administrative Details for this AGM.

g. The Notice of AGM together with the Form of Proxy, Administrative Details, Integrated Report 2023 and the Share Buy-back Statement are published on the Company's website at www.gamuda.com.my or Bursa Malaysia's website at www.bursamalaysia.com.

   Please follow the procedures provided in the Administrative Details for this AGM in order to register, participate and/or vote remotely.

h. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in this Notice will be put to vote by poll.

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

## 4. Explanatory Notes

### a. Audited Financial Statements

The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to the provision of Section 340(1)(a) of the Companies Act 2016 (**"CA 2016"**). Hence, this matter will not be put for voting.

### b. Ordinary Resolutions 1 & 2

Section 230(1) of the CA 2016 provides that the 'fees' of the directors and 'any benefits' payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this AGM for the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company under Resolutions 1 and 2.

i. Directors' Fees

Having considered the positioning of the Directors' fees over the past three (3) financial years **("FY")** from 2020 to 2022, the Board of Directors **("Board")** has, on the recommendation of the Remuneration Committee proposed the Directors' fees of the Non-Executive Directors of the Company as set out in the right-hand side of the table below:

| Directors' Fees (as approved at AGMs) | FY2020 | FY2021 | FY2022 | Proposed for FY2023 (approval to be sought at 47th AGM) |
|---|---|---|---|---|
| Independent Non-Executive Chairman^ | RM189,000 per annum | RM210,000 per annum | RM210,000 per annum | **RM85,480 per annum** |
| Independent Non-Executive Chairman@ | RM117,000 per annum | RM130,000 per annum | RM152,596 per annum | **RM202,439 per annum** |
| Independent Non-Executive Director | RM144,000 per annum | RM160,000 per annum | RM160,000 per annum | **RM192,481 per annum*** |
| | – | – | RM75,357 per annum# | **RM174,877 per annum** |
| | – | – | – | **RM94,220 per annum#** |
| Non-Executive Director | RM117,000 per annum | RM130,000 per annum | RM130,000 per annum | **RM160,000 per annum** |

^ *Retirement of an Independent Non-Executive Chairman at the preceding year's Forty-sixth AGM of the Company held on 8 December 2022* ***("46th AGM")***

@ *Re-designation of Independent Non-Executive Chairman during the financial year under review*

* *Re-designation of Audit Committee Chairman during the financial year under review*

\# *Appointment of a new Independent Non-Executive Director during the financial year under review*

Following a thorough market benchmarking assessment against companies of comparable market capitalisation, revenue, and profit before tax, as well as peer companies within the construction and property sectors, the current Directors' fee for Board membership is positioned below the median range. In light of this, the Board, based on the recommendation of the Remuneration Committee, is proposing for an increase in the Directors' fee from RM130,000 to RM160,000, a RM30,000 increment.

Based on the benchmark study thereof, the differentiation of the proposed fees for the Independent Non-Executive Chairman from a Non-Executive Director at 1.6 times and from Independent Non-Executive Directors (with Board Committee membership) at 1.1 times, were seen as fair and equitable.

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

The payment of the Directors' fees totalling RM909,497/- in respect of the financial year ended 31 July 2023 will only be made if the proposed Resolution 1 is approved by the Company shareholders at this AGM pursuant to Clause 116 of the Constitution and Section 230(1)(b) of the CA 2016.

ii. Directors' Remuneration

The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises meeting allowances and benefits-in-kind. At last year's 46th AGM, the benefits payable to the Non-Executive Directors of the Company from 9 December 2022 until this AGM on 7 December 2023 (12 months) was approved for an amount up to RM395,000.00. The utilisation of this approved amount as at 31 July 2023 is RM192,630/-. Based on the schedule of meetings in the fourth quarter of 2023 (includes Special Board meetings held to date), an amount of RM49,124/- is expected to be utilised for payment of meeting allowances and other benefits to the Non-Executive Directors. Hence, the expected total utilised amount would be approximately 61% of the approved amount.

To enhance transparency, the Board, based on the recommendation of the Remuneration Committee has recommended that a fixed allowance of RM100,000/- in respect of FY2023 be provided to the Board Chairman in lieu of benefits that were previously provided separately for the Board Chairman (to be adjusted proportionally based on date of appointment or redesignation).

The Directors' remuneration (excluding Directors' fees) are summarised as follows:-

| Type of Allowance | Type of Meeting | Independent Non-Executive Chairman | Independent Non-Executive Director | Non-Executive Director |
|---|---|---|---|---|
| Meeting Allowance (per meeting) | Board of Directors | RM2,000 | RM2,000 | RM2,000 |
| | Board Committees | RM2,000 | RM2,000 | RM2,000 |
| Fixed Allowance | N/A | RM100,000/- | Nil | Nil |

Directors' benefits payable also include insurance and other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Company Directors, where applicable.

The total amount of Directors' remuneration (excluding Directors' Fees) payable to the Non-Executive Directors is estimated to be up to RM380,000/- from 8 December 2023 to the next AGM in 2024 (Current Period) subject to the shareholders' approval, and taking into account various factors including the number of scheduled meetings for the Board and Board Committees as well as the number of Non-Executive Directors involved in these meetings. The estimated amount of remuneration also caters for unforeseen circumstances, for example, the appointment of additional Directors and/or additional unscheduled Board meetings as well as an increase in premium paid/payable for Directors' and Officers' Liability insurance coverage.

The proposed Resolution 2, if passed, is to facilitate the payment of Directors' remuneration (excluding Directors' fees) on a monthly basis and/or as and when incurred. The Board opined that it is just and equitable for the Non-Executive Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.

In the event that the Directors' remuneration (excluding Directors' fees) paid during the above period exceeded the estimated amount sought at this AGM, shareholders' approval will be sought at the next AGM.

Any Non-Executive Director who is a shareholder of the Company will abstain from voting on Resolutions 1 and 2 at this AGM.

The remuneration of each Director for FY2023 is disclosed in Note 6 of the Financial Statements section of this Integrated Report 2023.

**c. Ordinary Resolutions 3, 4 and 5**

For the purpose of determining the eligibility of the Directors to stand for re-election at this AGM and in line with Practice 5.1 of the Malaysian Code on Corporate Governance, the Nomination Committee has assessed each of the retiring Directors under Resolutions 3, 4 and 5. The findings were as follows:-

# NOTICE OF ANNUAL GENERAL MEETING (CONT'D.)

i. The Board continues to be effective with each of its member demonstrating commitment of time and energy to their duties as well as their abilities to act in the best interests of the Company in decision-making.

ii. Their level of contribution to the Board's deliberations through their skills, experiences and strength in qualities meet the demands of the business in line with the strategy of the Company.

Based on the Board Effectiveness Report (2022/2023) prepared internally, all Directors met the performance criteria required of an effective and high-performance Board.

The Board, except for YBhg Tan Sri Dato' Setia Haji Ambrin Buang and Ms. Chia Aun Ling, has assessed the independence of YBhg Tan Sri Dato' Setia Haji Ambrin Buang and Ms. Chia Aun Ling as Independent Non-Executive Directors of the Company. The Board fully endorses the Nomination Committee's recommendation for the re-election of Y.Bhg. Tan Sri Dato' Setia Haji Ambrin Buang, Y.T.M. Raja Dato' Seri Eleena and Ms. Chia Aun Ling as Directors of the Company as they are eligible and have expressed their willingness for re-election in accordance with Clause 105 and Clause 111 of the Company's Constitution.

Any Director referred to in Resolutions 3, 4 and 5 who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at this AGM.

**d. Ordinary Resolution 6**

At the Board meeting held on 27 September 2023, the Board is satisfied that Ernst & Young PLT has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities, which was concluded through the assessment carried out by the Audit Committee on the suitability of Ernst & Young PLT and hence, supports the Audit Committee's recommendation to re-appoint Ernst & Young PLT as the Auditors of the Company.

**e. Ordinary Resolution 7**

Ordinary Resolution 7 if passed, will empower the Directors to issue shares of the Company up to a maximum of ten percent (10%) of the total number of issued shares of the Company for the time being, for any possible fund-raising activities for purposes of funding future investment projects, working capital, acquisitions and/or for strategic reasons. The approval is a renewal of a general mandate and is sought to provide flexibility and to avoid any delay and cost in convening a general meeting for such issuance of shares for fund raising activities, including placement of shares.

This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company. At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the authorisation is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

The Company did not issue any new shares under the general mandate which was approved at last year's 46th AGM.

The Company is also seeking shareholders' approval to waive their statutory pre-emptive rights under Section 85 of the CA 2016 and to allow Company Directors to allot new shares without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

**f. Ordinary Resolution 8**

Shareholders are advised to refer to the Statement to Shareholders dated 8 November 2023, which is published on the Company's website at www.gamuda.com.my or Bursa Malaysia's website at www.bursamalaysia.com for further information.

**g. Ordinary Resolution 9**

Ordinary Resolution 9, if passed, will give authority to the Directors of the Company to allot and issue New Gamuda Shares pursuant to the Dividend Reinvestment Plan in respect of dividends declared after this AGM, and such authority shall expire at the conclusion of the next AGM of the Company.

## 5. Statement Accompanying Notice of AGM

[Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities]

- Details of individuals who are standing for election (excluding directors standing for a re-election) as Directors

  There are no individuals who are standing for election as Directors at this AGM.

- Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Securities

  Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the CA 2016 are set out in Explanatory Note 4(e) of this Notice.

# ADMINISTRATIVE DETAILS

Forty-seventh **("47th")** Annual General Meeting **("AGM")**

| | | |
|---|---|---|
| Date | : | Thursday, 7 December 2023 |
| Time | : | 10:00 a.m. |
| Remote Participation & Voting Platform | : | **TIIH Online** website at https://tiih.online or https://tiih.com.my |
| Domain Registration No. with MYNIC | : | D1A282781 |

## MODE OF MEETING

Gamuda Berhad **("Company")** will conduct the 47th AGM on a **FULLY VIRTUAL** basis through live streaming and online remote voting.

An online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online platform is located in Malaysia.

## REMOTE PARTICIPATION AND VOTING FACILITIES ("RPV")

Shareholders are to attend, speak [including posing questions to the Board of Directors **("Board")** or Management of the Company via real time submission of typed texts] and vote (collectively, **"participate"**) remotely at the 47th AGM of the Company using RPV provided by Tricor Investor & Issuing House Services Sdn Bhd **("Tricor")** via **TIIH Online** website at https://tiih.online. Please refer to the procedures for RPV.

Shareholders who appoint proxies to participate via RPV in the 47th AGM of the Company must ensure that their duly executed Forms of Proxy are deposited either by hardcopy or electronic means no later than **Tuesday, 5 December 2023 at 10:00 a.m.** in the following manner:

a. at **Tricor Investor & Issuing House Services Sdn Bhd,** Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; OR

b. lodge electronically via **Tricor's TIIH Online** website at https://tiih.online. The procedures on electronic lodgement of proxy form are summarised in pages 443 to 444 of this Integrated Report.

**Fax copies of the duly executed Form of Proxy are not acceptable.**

If you wish to personally participate in the 47th AGM, please do not submit any Form of Proxy. You will not be allowed to participate in the 47th AGM together with your appointed proxy.

If you have submitted your Form of Proxy prior to the 47th AGM and subsequently decide to personally participate in the 47th AGM, please contact Tricor to revoke/cancel your appointment of proxy.

Corporate representatives of corporate shareholders must deposit their original/duly certified certificate of appointment of corporate representative with Tricor no later than **Tuesday, 5 December 2023 at 10:00 a.m.** in order to participate via RPV in the 47th AGM of the Company.

Attorneys appointed through a power of attorney must deposit their powers of attorney with Tricor no later than **Tuesday, 5 December 2023 at 10:00 a.m.** in order to participate via RPV in the 47th AGM of the Company.

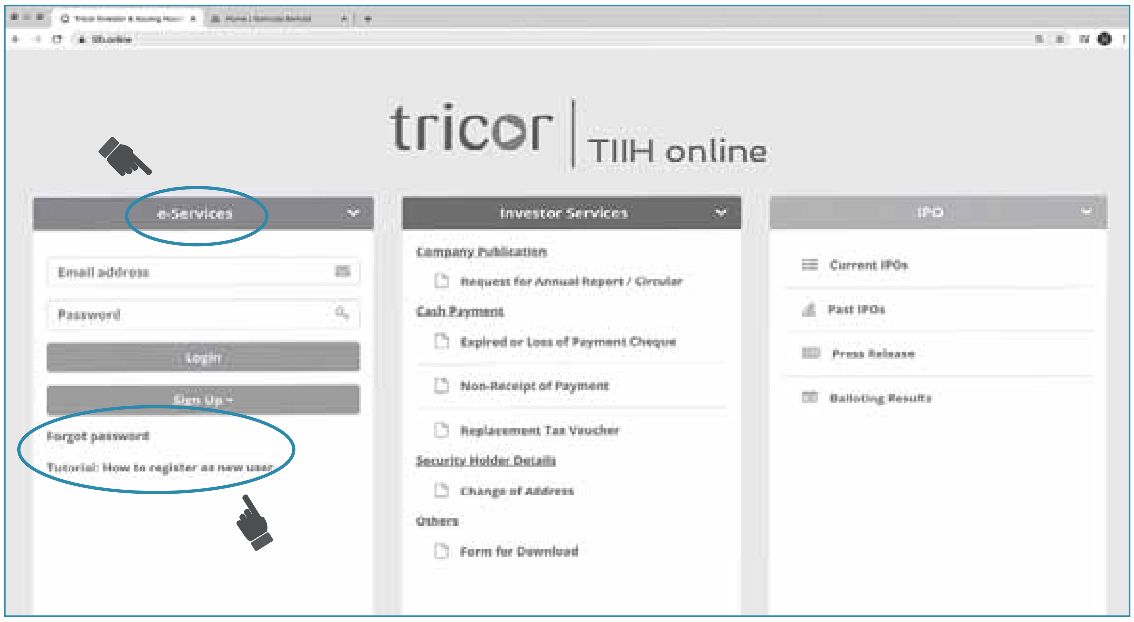
**A shareholder who has appointed a proxy or authorised representative or attorney to participate in the 47th AGM of the Company via RPV must request his/her proxy or authorised representative or attorney to register himself/herself for RPV at Tricor's TIIH Online website at https://tiih.online.**

As the 47th AGM of the Company is a fully virtual AGM, shareholders who are unable to participate in this AGM may appoint the Chairman of the 47th AGM as their proxy and indicate their voting instructions in the Form of Proxy.

# ADMINISTRATIVE DETAILS (CONT'D.)

Forty-seventh **("47th")** Annual General Meeting **("AGM")**

Shareholders/proxies/corporate representatives/attorneys who wish to participate in the 47th AGM of the Company via the RPV are to follow the requirements and procedures as summarised below:-

| Procedure | Action |
|---|---|
| **BEFORE THE 47TH AGM** | |
| (a) Register as a user with TIIH Online | • If you **have not registered** as a user of TIIH Online, please refer to the tutorial guide posted on Tricor's TIIH Online website for assistance to sign up. Registration as a user will be approved within one working day and you will be notified via email.<br>• If you are **a registered user** with TIIH Online, you do not need to register again. You will receive an **e-mail from Tricor** notifying that the remote participation for the 47th AGM is available for registration on TIIH Online.<br>• Login to TIIH Online website at https://tiih.online with your user name (i.e. e-mail address) and password under the "e-Services" (as illustrated below).<br><br> |
| (b) Submission of registration for RPV<br><br>*IMPORTANT:*<br>*Whether –*<br>*– you are registering as a new user with Tricor's TIIH Online, or*<br>*– you are a registered user with Tricor's TIIH Online and you are registering for use of the RPV for the 47th AGM,*<br><br>*please ensure that you register early to allow sufficient time for approval/verification so that you are able to login to the meeting platform and/or use the RPV.* | • **Registration is open from Wednesday, 8 November 2023 until the day of the 47th AGM scheduled for Thursday, 7 December 2023. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the 47th AGM to ascertain their eligibility to participate in the 47th AGM using RPV.**<br>• Login with your user ID and password and select the corporate event: **"(REGISTRATION) GAMUDA 47TH AGM".**<br>• Read and agree to the Terms and Conditions and confirm the Declaration.<br>• Select "Register for Remote Participation and Voting".<br>• Review your registration and proceed to register.<br>• System will send an e-mail to notify that your registration for remote participation has been received and will be verified.<br>After verification of your registration against the General Meeting Record of Depositors dated **30 November 2023**, the system will send you an e-mail after 5 December 2023 confirming approval of your registration for RPV. The procedures for using the RPV will also be set out in the email. In the event your registration is not approved, you will also be notified via e-mail. |

# ADMINISTRATIVE DETAILS (CONT'D.)

Forty-seventh **("47th")** Annual General Meeting **("AGM")**

| Procedure | | Action |
|---|---|---|
| **ON THE DAY OF 47TH AGM** | | |
| (c) | Login to TIIH Online | • Login with your user ID and password for remote participation at the 47th AGM any time from 9.00 a.m. i.e. one hour before the commencement of the 47th AGM on **Thursday, 7 December 2023 at 10:00 a.m.** |
| (d) | Participating through Live Streaming | • Select the corporate event:<br>**"(LIVE STREAMING MEETING) GAMUDA 47TH AGM"**; to engage remotely in the proceedings of the 47th AGM of the Company.<br>• If you have any question for the Chairman/Board, you may use the Query Box to transmit your question.<br>The Chairman/Board will try to respond to questions submitted by remote participants during this AGM. If there is time constraint, the responses will be published on the Company's website at the earliest possible, after the 47th AGM.<br>*(Note: Questions submitted online will be moderated before being sent to the Chairman to avoid repetition)* |
| (e) | Online Remote Voting | • Voting session commences from **10:00 a.m. on Thursday, 7 December 2023** until a time when the Chairman announces the end of the session.<br>To vote, select corporate event:<br>**"(REMOTE VOTING) GAMUDA 47TH AGM"**; or<br>if you are on the live stream meeting page, you can select:<br>**"GO TO REMOTE VOTING PAGE"**;<br>located below the Query Box.<br>• Read and agree to the Terms and Conditions and confirm the Declaration.<br>• Select the CDS account that represents your shareholdings.<br>• Indicate your votes for the resolutions that are tabled for voting.<br>• Confirm and submit your votes. |
| (f) | End of remote participation | • The Live Streaming will end upon announcement by the Chairman on the closure of the 47th AGM. |

***Note to users of the RPV:***

- *Once your application to join the 47th AGM is approved, you will be granted the right to participate in the live stream broadcast of the 47th AGM and to vote remotely. Your login to TIIH Online on the day of the 47th AGM will indicate your presence at the virtual meeting.*
- *The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device that you are using.*
- *If you encounter issues with logging-in, connection to the live stream meeting or online voting, kindly call Tricor Help Line at 011-40805616/011-40803168/011-40803169/011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.*

# ADMINISTRATIVE DETAILS (CONT'D.)

Forty-seventh **("47th")** Annual General Meeting **("AGM")**

## ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your Form of Proxy electronically via Tricor's TIIH Online website are summarised below:

| Procedure | Action |
|---|---|
| **APPLICABLE TO INDIVIDUAL SHAREHOLDERS** | |
| (a) Register as a User with TIIH Online website | • Please access Tricor's TIIH Online website at https://tiih.online using your computer or any device and register as a user under the "e-Services". Please do refer to the tutorial guide posted on the homepage for assistance.<br>• If you are a registered user with TIIH Online website, you do not need to register again. |
| (b) Proceed with submission of Proxy Form | • After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password.<br>• Select the corporate event: **"GAMUDA 47TH AGM – SUBMISSION OF PROXY FORM"**.<br>• Read and agree to the Terms and Conditions and confirm the Declaration.<br>• Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.<br>• Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy.<br>• Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote.<br>• Review and confirm your proxy(ies) appointment.<br>• Print or save a PDF copy of the proxy form for your record. |

# ADMINISTRATIVE DETAILS (CONT'D.)

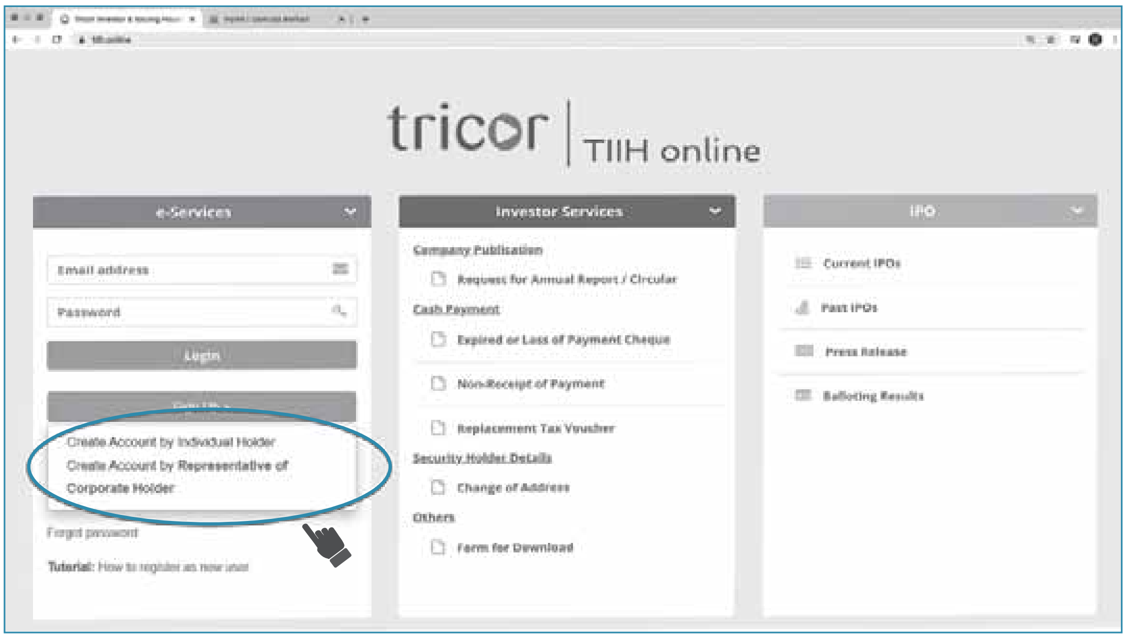
Forty-seventh **("47th")** Annual General Meeting **("AGM")**

| Procedure | Action |
|---|---|

**APPLICABLE TO CORPORATION OR INSTITUTIONAL SHAREHOLDERS**

(a) Register as a User with TIIH Online website

- Access TIIH Online website at https://tiih.online.
- Under e-Services, select **"Create Account by Representative of Corporate Holder"**.
- Complete the registration form and upload the required documents.
- Registration will be verified, and you will be notified by email within one (1) to two (2) working days.
- Proceed to activate your account with the temporary password given in the email and re-set your own password.




*Note:*
*The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.*

(b) Proceed with submission of Proxy Form

- Login to TIIH Online website at https://tiih.online.
- Select the corporate event: **"GAMUDA 47TH AGM – SUBMISSION OF PROXY FORM"**.
- Agree to the Terms and Conditions and Declaration.
- Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein.
- Prepare the file for the appointment of proxies by inserting the required data.
- Submit the proxy appointment file.
- Proceed to upload the duly completed proxy appointment file.
- Select "Submit" to complete your submission.
- Print or save a PDF copy of the confirmation report of your submission for your record.

# ADMINISTRATIVE DETAILS (CONT'D.)

Forty-seventh **("47th")** Annual General Meeting **("AGM")**

## VOTING PROCEDURE

Voting at the 47th AGM of the Company will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

To facilitate the voting process, the Company has appointed Tricor as the Poll Administrator to conduct the poll by way of online remote voting and Coopers Professional Scrutineers Sdn Bhd as the Scrutineers to verify the poll results. Please refer to "Online Remote Voting" under item (e) in the table above on the procedures for online remote voting.

Upon completion of the voting session for the 47th AGM of the Company, the Scrutineers will verify the poll results followed by the Chairman's announcement whether the resolutions are duly passed.

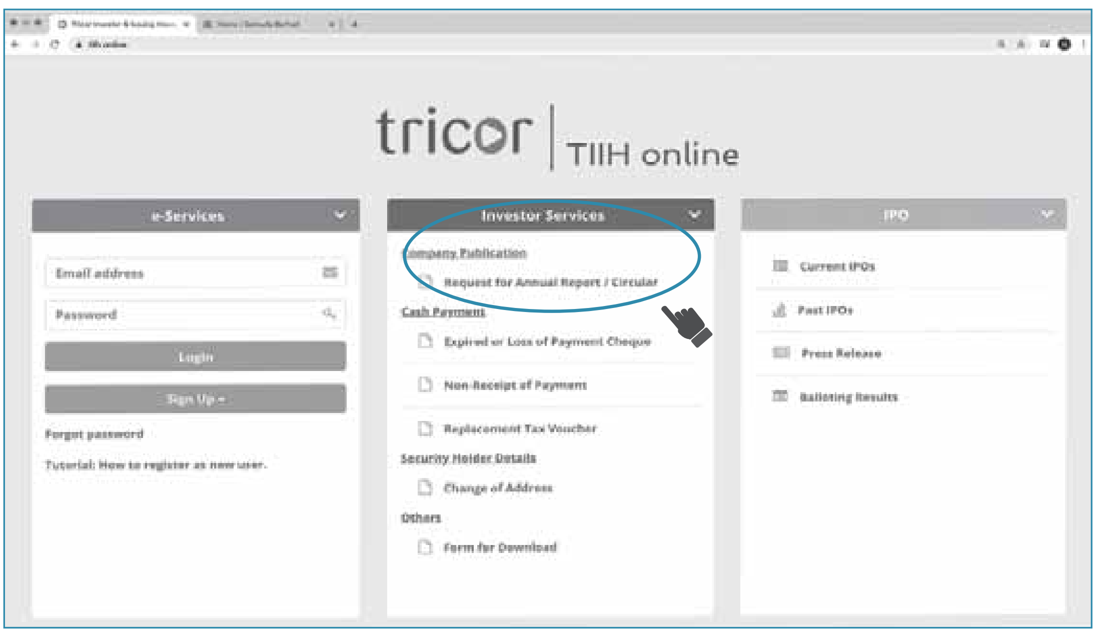
## GENERAL MEETING RECORD OF DEPOSITORS

Only shareholders whose names appear in the General Meeting Record of Depositors of the Company maintained by Bursa Malaysia Depository Sdn Bhd as at **30 November 2023** shall be entitled to participate in the 47th AGM or appoint proxies to participate on their behalf.

## INTEGRATED REPORT 2023 AND OTHER DOCUMENTS

The Company's Integrated Report 2023, Corporate Governance Report 2023, Statement to Shareholders in relation to the Proposed Renewal of Share Buy-back Authority, Notice of 47th AGM, Form of Proxy and this Administrative Details are available at the Company's website at www.gamuda.com.my and Bursa Malaysia's website at www.bursamalaysia.com.

You may request for a printed copy of the Integrated Report 2023 and the other documents mentioned above at https://tiih.online by selecting **"Request for Annual Report/Circular"** under the "Investor Services" (as illustrated below). Nevertheless, we hope that you would consider the environment before you decide to request for the printed copy.



# ADMINISTRATIVE DETAILS (CONT'D.)

Forty-seventh **("47$^{th}$")** Annual General Meeting **("AGM")**

## PRE-MEETING SUBMISSION OF QUESTION(S) TO THE BOARD

Shareholders or proxies or corporate representatives may submit questions for the Board prior to the 47$^{th}$ AGM via Tricor's **TIIH Online** website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically no later than **Tuesday, 5 December 2023 at 10:00 a.m.** Where there are substantially similar questions for the 47$^{th}$ AGM, the Company will consolidate such questions. As a result, the questions received may not be addressed individually. The Board will endeavour to answer these question received at the 47$^{th}$ AGM of the Company. However, if not all answers could be provided during the 47$^{th}$ AGM, the responses will be provided in the corporate website of the Company.

## NO E-VOUCHER, GIFT OR FOOD VOUCHER

There will be **NO** e-voucher, gift or food voucher for shareholders or proxies who participate in the 47$^{th}$ AGM of the Company.

The Board would like to thank all its shareholders for their kind co-operation and understanding on this matter.

## NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography are strictly prohibited at the 47$^{th}$ AGM of the Company.

## ENQUIRY

If you have any enquiry prior to the 47$^{th}$ AGM of the Company, please contact the following Tricor's officers during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except public holidays):

**Tricor Investor & Issuing House Services Sdn. Bhd.**

| | | |
|---|---|---|
| General Line | : | +603-2783 9299 |
| Fax Number | : | +603-2783 9222 |
| Email | : | is.enquiry@my.tricorglobal.com |
| Contact persons | : | **Mr. Jake Too**<br>+603-2783 9285 |
| | | **En. Aiman Nuri**<br>+603-2783 9262 |
| | | **Mr. David Look**<br>+603-2783 9281 |

# FORM OF PROXY

GAMUDA
Co. Regn. No.
197601003632 (29579-T)

| CDS account no. of authorised nominee (Note 1) |
|---|
| |

*I/We (full name and in block letters) ______________________________

*NRIC/Passport/Co. Regn. No. (compulsory) ______________________ Mobile Phone No.: ______________

Address (in block letters): ______________________________

being a member of **Gamuda Berhad ("the Company")** hereby appoint:-

**FIRST PROXY**

| Full Name (in block letters) | NRIC/Passport No. | Proportion of Shareholdings | |
|---|---|---|---|
| | | No. of Shares | % |
| Address: | | | |

and **SECOND PROXY** (as the case may be)

| Full Name (in block letters) | NRIC/Passport No. | Proportion of Shareholdings | |
|---|---|---|---|
| | | No. of Shares | % |
| Address: | | | |

or failing * him/her, the Chairman of the Meeting as * my/our Proxy to vote for * me/our behalf at the Forty-seventh Annual General Meeting of the Company **("47th AGM")** to be conducted fully virtual through online meeting platform via TIIH Online website at https://tiih.online or https://tiih.com.my (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd **("Tricor")** in Malaysia on Thursday, 7 December 2023 at 10:00 a.m. and at any adjournment thereof.

| Resolution | Ordinary Business | For | Against |
|---|---|---|---|
| 1 | Approval of Directors' fees | | |
| 2 | Approval of payment of Directors' remuneration (excluding Directors' fees) | | |
| 3 | Re-election of YBhg Tan Sri Dato' Setia Haji Ambrin bin Buang as a Director | | |
| 4 | Re-election of YTM Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah as a Director | | |
| 5 | Re-election of Ms. Chia Aun Ling as a Director | | |
| 6 | Re-appointment of Ernst & Young PLT as Auditors and to authorise the Directors to fix the Auditors' remuneration | | |
| | **Special Business** | | |
| 7 | Ordinary Resolution:<br>Authority to issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 | | |
| 8 | Ordinary Resolution:<br>Proposed Renewal of Share Buy-back Authority | | |
| 9 | Ordinary Resolution:<br>Issuance of New Shares pursuant to the Dividend Reinvestment Plan | | |

(Please indicate with an "✗" or "✓" in the appropriate box against the resolution how you wish your Proxy to vote. If no instruction is given, this form will be taken to authorise the Proxy to vote at his/her discretion)

Signed this ______________ day of ____________________, 2023.

| No. of Shares held |
|---|
| |

______________________________

Signature/Common Seal of Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

***Notes:***

1. *Applicable to shares held through a nominee account.*
2. *Please follow the procedures provided by Tricor Investor & Issuing House Services Sdn Bhd in the Administrative Details for the 47th AGM in order to register, participate and/or vote remotely at the 47th AGM via the Remote Participation and Voting Facilities **("RPV")**.*
3. *Every Member of the Company is entitled to:-*
   i. *appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate and vote at the 47th AGM and that proxy may but need not be a Member of the Company.*
   ii. *appoint more than one (1) person as his/her proxy provided that he specifies the proportions of his/her shareholdings to be represented by each proxy.*
4. *Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. If more than one (1) proxy is appointed, the appointment shall be invalid unless the Authorised Nominee specifies the proportions of the shareholdings to be represented by each proxy.*
5. *Where a Member is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account **("Omnibus Account")**, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. If more than one (1) proxy is appointed in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the number of shares to be represented by each proxy.*
6. *If the appointor is a corporation, the Form of Proxy shall be under the corporation's seal or under the hand of an officer or attorney duly authorised.*
7. *If no name is inserted in the space provided for the name of your proxy, the Chairman of the Meeting will act as your proxy.*
8. *Form of Proxy can be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the 47th AGM or at any adjournment thereof:*
   i. *Hard copy:*
   *The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR*
   ii. *Electronic means:*
   *You may also submit the Form of Proxy electronically via TIIH Online website at https://tiih.online by following the procedures set out in the Administrative Details for the 47th AGM.*
9. *Only a Depositor whose name appears in the Record of Depositors as at 30 November 2023 shall be entitled to participate and/or vote at the 47th AGM via RPV or appoints a proxy or proxies to attend, participate and/or vote on his/her behalf.*

** Delete where not applicable*

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AFFIX
SUFFICIENT
STAMP

The Share Registrar

**Gamuda Berhad** [197601003632 (29579-T)]

**c/o Tricor Investor & Issuing House Services Sdn Bhd** [197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur.

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This Report is printed on environmentally friendly paper

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GamudaBhd GamudaBhd GAMUDA gamudagroup Gamuda Berhad