

GAMUDA BERHAD (29579-T)
Condensed Consolidated Income Statement
for the year ended 31 July 2020

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD			
	Current Year Quarter	Comparative Quarter (Restated)		Current Year To Date	Preceding Year Corresponding Period (Restated)	
	31-Jul-20	31-Jul-19		31-Jul-20	31-Jul-19	
	RM'000	RM'000		RM'000	RM'000	
Revenue (Note 2)	926,517	1,499,370	-38%	3,662,964	4,565,062	-20%
Operating expenses	(773,540)	(1,422,563)	-46%	(3,312,238)	(4,077,341)	-19%
Other income	80,939	82,733	-2%	213,750	217,544	-2%
Profit from operations before impairment losses	233,916	159,540	47%	564,476	705,265	-20%
Impairment of IBS assets (non-cash item)	(148,100)	-		(148,100)	-	
Profit from operations	85,816	159,540	-46%	416,376	705,265	-41%
Finance costs	(63,088)	(43,945)	44%	(139,340)	(117,321)	19%
Share of profit of associated companies	24,820	48,101	-48%	116,245	126,634	-8%
Share of profit of joint ventures	35,155	52,252	-33%	192,181	186,534	3%
Profit before taxation (Note 1)	82,703	215,948	-62%	585,462	901,112	-35%
Income tax expenses	(77,413)	(29,246)	>100%	(161,272)	(148,844)	8%
Profit for the year	5,290	186,702	-97%	424,190	752,268	-44%
(Loss)/Profit attributable to:- (Note 1)						
Owners of the Company ie Post tax (loss)/profit	(17,340)	179,021	>-100%	371,680	700,186	-47%
Non-controlling interests	22,630	7,681	>100%	52,510	52,082	1%
	5,290	186,702	-97%	424,190	752,268	-44%

(Loss)/Earnings per share attributable to owners of the Company

Basic (loss)/earnings per share (sen)	(0.69)	7.25	>-100%	14.94	28.36	-47%
Fully diluted (loss)/earnings per share (sen)	(0.69)	7.24	>-100%	14.94	28.36	-47%

Note 1: The core profits below reflect the respective profits before the one-off losses on impairment of IBS assets (non-cash item).

	Individual Quarter		Cumulative Period			
	31-Jul-20	(Restated)		31-Jul-20	(Restated)	
		31-Jul-19			31-Jul-19	
	RM'000	RM'000		RM'000	RM'000	
Core profit before taxation	230,803	215,948	7%	733,562	901,112	-19%
Core profit attributable to owners of the Company	130,760	179,021	-27%	519,780	700,186	-26%
Less: Impairment of IBS assets (non-cash item)	(148,100)	-		(148,100)	-	
(Loss)/Profit attributable to owners of the Company as reported	(17,340)	179,021		371,680	700,186	
Core basic earnings per share (sen)	5.20	7.25	-28%	20.89	28.36	-26%
Core fully diluted earnings per share (sen)	5.20	7.24	-28%	20.89	28.36	-26%

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

	Individual Quarter		Cumulative Period			
	31-Jul-20	31-Jul-19		31-Jul-20	31-Jul-19	
	RM'000	RM'000		RM'000	RM'000	
Revenue as reported above	926,517	1,499,370	-38%	3,662,964	4,565,062	-20%
Share of joint venture companies' revenue *	863,062	478,210	80%	3,141,959	2,616,136	20%
Total revenue	1,789,579	1,977,580	-10%	6,804,923	7,181,198	-5%

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

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD (29579-T)

**Condensed Consolidated Statement of Comprehensive Income
for the year ended 31 July 2020**

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	Current Year Quarter	Comparative Quarter (Restated)		Current Year To Date	Preceding Year Corresponding Period (Restated)	
	31-Jul-20	31-Jul-19		31-Jul-20	31-Jul-19	
	RM'000	RM'000		RM'000	RM'000	
Profit for the year	5,290	186,702	-97%	424,190	752,268	-44%
Other comprehensive (loss)/income:						
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:						
Foreign currency translation	(13,579)	(2,570)	>100%	100,198	30,433	>100%
Share of associated companies' foreign currency translation	(1,277)	850	>-100%	(6,661)	295	>-100%
Net asset accretion in an associated company arising from capital contribution	2,211	5,676	-61%	4,821	6,080	-21%
	(12,645)	3,956	>-100%	98,358	36,808	>100%
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:						
Remeasurement losses on defined benefit plan	(6,568)	(3,185)	-100%	(6,568)	(3,185)	-100%
Income tax effect	589	89	100%	589	89	100%
	(5,979)	(3,096)		(5,979)	(3,096)	
Total comprehensive (loss)/income for the year	(13,334)	187,562	>-100%	516,569	785,980	-34%
Total comprehensive(loss)/ income attributable to:						
Owners of the Company	(35,941)	179,773	>-100%	464,889	733,744	-37%
Non-controlling interests	22,607	7,789	>100%	51,680	52,236	-1%
	(13,334)	187,562	>-100%	516,569	785,980	-34%

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD (29579-T)
Condensed Consolidated Statement Of Financial Position
As at 31 July 2020

	As at 30-Jul-20	As at 31-Jul-19 (Restated)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,058,979	1,155,510
Land held for property expenditure	3,169,911	2,919,183
Investment properties	459,588	432,815
Right-of-use assets	15,138	1,470
Expressway and water expenditure	1,355,472	1,306,472
Interests in associated companies	952,787	970,789
Interests in joint arrangements	1,197,117	1,201,332
Other investments	812	812
Deferred tax assets	40,665	41,767
Receivables	890,806	1,074,294
	9,141,275	9,104,444
Current assets		
Property development costs	1,826,549	1,885,356
Inventories	917,734	765,197
Receivables	2,148,873	1,938,030
Contract assets	1,726,280	1,604,295
Tax recoverable	44,056	34,158
Investment securities	644,467	396,664
Cash and bank balances	2,147,194	1,452,272
	9,455,153	8,075,972
TOTAL ASSETS	18,596,428	17,180,416
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital (Note 3)	3,620,946	3,469,729
Reserves	4,920,146	4,592,894
Owners' equity	8,541,092	8,062,623
Non-controlling interests	426,502	399,317
TOTAL EQUITY	8,967,594	8,461,940
Non-current liabilities		
Payables	238,391	197,982
Contract liabilities	50,255	60,305
Provision for liabilities	111,309	29,978
Deferred tax liabilities	335,904	375,794
Long term borrowings	2,952,171	2,957,741
	3,688,030	3,621,800
Current liabilities		
Short term borrowings	2,512,960	2,185,917
Payables	2,036,680	1,844,392
Contract liabilities	1,131,106	932,520
Provision for liabilities	174,329	74,573
Tax payable	85,729	59,274
	5,940,804	5,096,676
TOTAL LIABILITIES	9,628,834	8,718,476
TOTAL EQUITY AND LIABILITIES	18,596,428	17,180,416
Net assets per share attributable to Owners of the Company (RM)	3.40	3.26

Note 3 : Share capital includes share premium pursuant to the new Companies Act 2016 - Number of ordinary shares issued as at 31 July 2020 is **2,513,527,654** (31 July 2019: 2,472,322,033).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD (29579-T)
Condensed Consolidated Statement of Changes in Equity

	----- Attributable to owners of the Company -----						
	----- Non-Distributable -----			Distributable		Non-Controlling interests	Total equity
	Share capital	Option reserves	Other reserves	Retained profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
FY2020							
12 months ended 31 July 2020							
At 1 August 2019 (as previously stated)	3,469,729	72,584	341,874	4,187,120	8,071,307	399,317	8,470,624
Effect of adoption of MFRS 123	-	-	-	(8,684)	(8,684)	-	(8,684)
At 1 August 2019 (as restated)	3,469,729	72,584	341,874	4,178,436	8,062,623	399,317	8,461,940
Total comprehensive income	-	-	99,188	365,701	464,889	51,680	516,569
Transactions with owners:							
Exercise of Employees' Share Options ("ESOS")	70,950	-	-	-	70,950	-	70,950
Conversion of warrants	2,050	-	(119)	-	1,931	-	1,931
Share options granted under ESOS	-	18,202	-	-	18,202	-	18,202
Share options exercised under ESOS	6,830	(6,830)	-	-	-	-	-
Transfer share options reserves to retained profit	-	(83,956)	-	83,956	-	-	-
Acquisition of equity interest from non-controlling interest	-	-	-	-	-	(900)	(900)
Dividends paid to non-controlling interests	-	-	-	-	-	(23,595)	(23,595)
Dividends paid to shareholders							
- Dividend reinvestment plan	71,387	-	-	(71,387)	-	-	-
- Cash settlement	-	-	-	(77,503)	(77,503)	-	(77,503)
At 31 July 2020	3,620,946	-	440,943	4,479,203	8,541,092	426,502	8,967,594
FY2019							
12 months ended 31 July 2019							
At 1 August 2018 (As previously stated)	3,452,940	57,733	305,494	3,780,458	7,596,625	383,681	7,980,306
Effect of adoption of MFRS 123	-	-	-	(2,757)	(2,757)	-	(2,757)
At 1 August 2018 (as restated)	3,452,940	57,733	305,494	3,777,701	7,593,868	383,681	7,977,549
Total comprehensive income	-	-	36,654	697,090	733,744	52,236	785,980
Transactions with owners:							
Exercise of Employees' Share Options ("ESOS")	8,800	-	-	-	8,800	-	8,800
Conversion of Warrants	4,739	-	(274)	-	4,465	-	4,465
Share options granted under ESOS	-	18,101	-	-	18,101	-	18,101
Share options exercised under ESOS	3,250	(3,250)	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	(36,600)	(36,600)
Dividends paid to shareholders	-	-	-	(148,083)	(148,083)	-	(148,083)
Dividends payable to shareholders	-	-	-	(148,272)	(148,272)	-	(148,272)
At 31 July 2019 (as restated)	3,469,729	72,584	341,874	4,178,436	8,062,623	399,317	8,461,940

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2019 the accompanying explanatory notes attached to the interim financial statements.

GAMUDA BERHAD (29579-T)
Condensed Consolidated Statement Of Cash Flows

	Current Year To Date	Preceding Year Corresponding Period (Restated)
	31-Jul-20	31-Jul-19
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	585,462	901,112
Adjustments for non-cash items/non-operating items	300,910	(130,927)
Operating profit before working capital changes	<u>886,372</u>	<u>770,185</u>
<u>Changes in working capital</u>		
Net changes in assets	(110,634)	(9,952)
Net changes in liabilities	507,195	162,074
Net cash generated from operations	<u>1,282,933</u>	<u>922,307</u>
Income taxes paid	(183,503)	(159,974)
Interest and other payments	(284,997)	(277,610)
Net cash generated from operating activities	<u>814,433</u>	<u>484,723</u>
Cash Flows From Investing Activities		
Additions to property, plant and equipment	(183,888)	(253,790)
Additions to land held for development expenditures	(219,700)	(229,227)
Additions to investment properties expenditures	(91,970)	(88,522)
Additions to expressway and water development expenditures	(6,830)	(13,251)
Proceeds on disposal of plant and equipment	798	793
Proceeds on disposal of investment property	4,805	63,622
Net purchase of investment securities	(247,803)	(12,393)
Distribution received from investment securities	20,055	13,641
Placement of deposits with tenure more than 3 months	(298,681)	(109,582)
(Additional)/redemption of interest in joint ventures	(60,622)	(187,156)
Capital repayment from associated companies	11,023	159,996
Dividend received from associated companies	121,385	776,048
Dividend received from joint ventures	267,000	175,800
Interest received	98,258	79,099
Net cash (used in)/generated from investing activities	<u>(586,170)</u>	<u>375,078</u>
Cash Flows From Financing Activities		
Net proceeds from exercise of ESOS	70,950	8,800
Net proceeds from conversion of warrants	1,931	4,465
Net drawdown/(repayment) of borrowings	320,030	(594,357)
Dividends paid to shareholders	(225,775)	(148,083)
Dividends paid by a subsidiary to non-controlling interests	(23,595)	(36,600)
Net cash generated from/(used in) financing activities	<u>143,541</u>	<u>(765,775)</u>
Net increase in cash and cash equivalents	371,804	94,026
Effects of exchange rate changes	24,437	10,029
Cash and cash equivalents at beginning of the year	<u>1,081,123</u>	<u>977,068</u>
Cash and cash equivalents at end of year	<u>1,477,364</u>	<u>1,081,123</u>

Cash and cash equivalents at end of financial year comprise of the following:

Deposits, cash and bank balances	2,147,194	1,452,272
Investment securities	644,467	396,664
Deposits, cash and bank balances, and investment securities	<u>2,791,661</u>	<u>1,848,936</u>
Less: Investment securities	(644,467)	(396,664)
Less: Deposits with licensed banks with tenure of more than 3 months	(669,830)	(371,149)
Total cash and cash equivalents	<u>1,477,364</u>	<u>1,081,123</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial statements.

Gamuda Berhad (29579-T)

Quarterly Report On Consolidated Results For The Year Ended 31 July 2020

Notes To The Interim Financial Statements

(The figures have not been audited)

1. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Inter- segment Elimination	Total
	RM000	RM000	RM000	RM000	RM000
12 months period ended 31 July 2020					
REVENUE					
Revenue as reported	1,835,784	1,346,788	480,392	-	3,662,964
Share of joint venture companies' revenue	2,953,308	173,742	14,909	-	3,141,959
	4,789,092	1,520,530	495,301	-	6,804,923
Inter-segment sales	354,370	-	-	(354,370)	-
Total revenue	5,143,462	1,520,530	495,301	(354,370)	6,804,923
RESULTS					
Profit from operations before impairment	59,442	253,451	251,583	-	564,476
Impairment of IBS assets	(148,100)	-	-	-	(148,100)
Finance costs	(5,778)	(91,271)	(42,291)	-	(139,340)
Share of profits of associated companies	137	-	116,108	-	116,245
Share of profits/(loss) of joint ventures	185,496	10,620	(3,935)	-	192,181
Profit before taxation (Note 4)	91,197	172,800	321,465	-	585,462
Taxation	(60,360)	(46,276)	(54,636)	-	(161,272)
Profit for the year	30,837	126,524	266,829	-	424,190
Non-controlling interest	(5,794)	-	(46,716)	-	(52,510)
Profit attributable to Owners of the Company	25,043	126,524	220,113	-	371,680

Note 4

<i>Percentage of segment results by Core PBT</i>	32%	24%	44%	100%
Core profit before taxation	239,297	172,800	321,465	733,562
Impairment of IBS assets	(148,100)	-	-	(148,100)
Profit before tax as reported	91,197	172,800	321,465	585,462

Gamuda Berhad (29579-T)

Quarterly Report On Consolidated Results For The Year Ended 31 July 2020

Notes To The Interim Financial Statements

(The figures have not been audited)

1. Segmental Analysis (cont'd)

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Inter-segment Elimination	Total
	RM000	RM000	RM000	RM000	RM000
12 months period ended 31 July 2019 (Restated)					
REVENUE					
Revenue as reported	1,939,326	2,146,457	479,279	-	4,565,062
Share of joint venture companies' revenue	2,198,418	400,403	17,315	-	2,616,136
	4,137,744	2,546,860	496,594	-	7,181,198
Inter-segment sales	494,819	-	-	(494,819)	-
Total revenue	4,632,563	2,546,860	496,594	(494,819)	7,181,198
RESULTS					
Profit from operations	178,303	298,829	228,133	-	705,265
Finance costs	(21,592)	(68,041)	(27,688)	-	(117,321)
Share of profits of associated companies	20,207	-	106,427	-	126,634
Share of profits/(loss) of joint ventures	105,935	83,840	(3,241)	-	186,534
Profit before taxation (Note 5)	282,853	314,628	303,631	-	901,112
Taxation	(41,368)	(55,195)	(52,281)	-	(148,844)
Profit for the year	241,485	259,433	251,350	-	752,268
Non-controlling interest	(4,350)	-	(47,732)	-	(52,082)
Profit attributable to Owners of the Company	237,135	259,433	203,618	-	700,186

Note 5

Percentage of segment results by Core PBT

	31%	35%	34%	100%
Core profit before taxation	282,853	314,628	303,631	901,112
Impairment of IBS assets	-	-	-	-
Profit before tax as reported	282,853	314,628	303,631	901,112

Gamuda Berhad (29579-T)

Quarterly Report On Consolidated Results For The Year Ended 31 July 2020

Notes To The Interim Financial Statements

(The figures have not been audited)

2. Review of Performance

	Current Year Quarter	Comparative Quarter (Restated)	Var	Current Year To Date	Preceding Year Corresponding Period (Restated)	Var
	31-Jul-20	31-Jul-19		31-Jul-20	31-Jul-19	
	RM'000	RM'000	%	RM'000	RM'000	%
BY SEGMENT						
Revenue *						
Construction	1,426,252	1,005,406	42%	4,789,092	4,137,744	16%
Property	217,866	862,218	-75%	1,520,530	2,546,860	-40%
Concession	145,461	109,956	32%	495,301	496,594	0%
	1,789,579	1,977,580	-10%	6,804,923	7,181,198	-5%
Net Profit						
Construction	24,066	42,309	-43%	173,143	237,135	-27%
Property	30,937	109,532	-72%	126,524	259,433	-51%
Concession	75,757	27,180	>100%	220,113	203,618	8%
Core net profit	130,760	179,021	-27%	519,780	700,186	-26%
Less : One-off item on impairment of IBS assets	(148,100)	-	-100%	(148,100)	-	-100%
Net profit as reported	(17,340)	179,021	>-100%	371,680	700,186	-47%
BY GEOGRAPHY						
Revenue *						
Malaysia	1,559,183	1,411,699	10%	5,687,060	5,576,445	2%
Overseas	230,396	565,881	-59%	1,117,863	1,604,753	-30%
	1,789,579	1,977,580	-10%	6,804,923	7,181,198	-5%
Core net profit						
Malaysia	4,235	114,997	-96%	269,855	453,059	-40%
Overseas	126,525	64,024	98%	249,925	247,127	1%
	130,760	179,021	-27%	519,780	700,186	-26%

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

Gamuda Berhad (29579-T)

Quarterly Report On Consolidated Results For The Year Ended 31 July 2020

Notes To The Interim Financial Statements

(The figures have not been audited)

2. Review of Performance (cont'd)

CURRENT QUARTER

Following the easing of movement restrictions in early May 2020, works at all construction and property projects gradually picked up pace while traffic plying the expressways were returning to pre-movement restrictions level. Meanwhile, the Group set aside RM148m for asset impairment as it temporarily shuts down one of two IBS factories due to slower pace of building construction caused by the stringent Covid-19 induced standard operating procedures imposed by the authorities. Subsequent to this year's one-off non-cash impairment, the Group does not expect any further impairment on the IBS assets in the foreseeable future.

In Malaysia, the movement restrictions imposed vide Movement Control Order (MCO) on 18 March 2020 were gradually eased on 4 May 2020. Works were allowed to gradually restart on most fronts, with stringent health and safety control measures imposed by the authorities. Supply chain were impacted, which affected the efficient ramping up of works. As the pace of building works slowed because contractors were only able to operate at about half capacity, the Group temporarily shut down its smaller IBS factory at Sepang and consolidated all operations at the larger IBS Banting Factory. As a result of this shut down, the Group incurred a one-off non-cash impairment of RM148 million.

This quarter, the Group posted revenue of RM1.8 billion, a decrease of 10% from the same quarter last year. The Group incurred a quarterly loss of RM17 million due to the one-off impairment of RM148 million on IBS assets. Excluding this one-off impairment, the Group posted a core net profit of RM131 million this quarter, a decrease of 27% from last year's quarterly profit.

Movement restrictions were also imposed in all other countries where the Group's projects are located. Despite these challenges, the Group's property sales in Vietnam continued to do well while OLA residences, the Group's latest property project in Singapore, pre-sold one-third or SGD230 million worth of properties since its launch in mid-March 2020. Gamuda Land sold RM1 billion worth of properties in this quarter, a sharp rebound from the previous quarter's sales of RM250m, and almost on par with the RM1.1 billion sold in Q4FY2019.

YEAR TO DATE

Unprecedented movement restrictions during the third quarter of this year, triggered by the Covid-19 pandemic, resulted in work stoppages on all construction and property projects coupled with low traffic plying the expressways. However, as the movement restrictions were eased in Q4FY2020, property sales sharply rebounded while works at all construction and property projects gradually picked up pace and traffic plying the expressways were returning to pre-movement restrictions level. Subsequent to this year's one-off non-cash impairment, the Group does not expect any further impairment on the IBS assets in the foreseeable future.

For the current year, the Group posted revenue of RM6.8 billion, a decrease of 5% compared with RM7.2 billion revenue last year. Excluding the one-off non-cash impairment of RM148 million on IBS assets, the Group posted an annual core net profit of RM520 million, a 26% decrease from last year's RM700 million net profit due to work stoppages, absence of property sales and low traffic plying its four expressways as a result of the movement restrictions during the second half year of this year.

Gamuda Land sold RM2.2 billion worth of properties in this financial year, lower than the RM3.1 billion sales of last year. Overseas property projects continued to lead in sales performance; contributing two-thirds of overall property sales.

Gamuda Berhad (29579-T)

Quarterly Report On Consolidated Results For The Year Ended 31 July 2020

Notes To The Interim Financial Statements

(The figures have not been audited)

3. Comparison with immediate Preceding Quarter's Results

Excluding the one-off non-cash impairment of RM148 million on IBS assets, the Group posted a quarterly net profit of RM131 million, almost 4 times the RM40 million net profit in the immediate preceding quarter as works at all construction and property projects picked up pace while traffic plying the expressways were returning to pre-movement restrictions level.

4. Next Year Prospects

Overall Prospects

Uncertainties due to the Covid-19 pandemic continues to affect consumer sentiment and investor confidence. Spending and stimulus for infrastructure development will be constrained due to elevated government debt load.

Subsequent to this year's one-off non-cash impairment, the Group does not expect any further impairment on the IBS assets in the foreseeable future. It is anticipated that next year's performance will be driven by overseas property sales, Vietnam and Singapore, and the continued progress of MRT Line 2. Moving forward, the resilience of the Group is underpinned by its construction order book of RM7 billion and unbilled property sales totalling RM3.3 billion which will see it through the next two years. On top of that, the Group has a healthy balance sheet with a prudent gearing of 0.3 times.

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

(a) **GAMUDA ENGINEERING**

(i) **Recent Developments**

Gamuda Australia – Laing O'Rourke Joint Venture shortlisted for the first stages of the AU\$20 billion Sydney Metro West Project.

(ii) **Klang Valley Mass Rapid Transit: Sungai Buloh – Serdang – Putrajaya Line ("MRT Line 2")**

MMC Gamuda is the Turnkey Contractor for the elevated and underground works for the Klang Valley MRT Line 2, with a contract price of RM30.53 billion.

The overall cumulative progress at the end of July 2020 for the:

- Elevated Works Package was on schedule at 80%; and
- Underground Works Package was on schedule at 78%.

System testing with progressive energisation and running of the electric trains are in progress for Phase 1 (Sungai Buloh – Kentonmen line). Underground tunnelling works are nearing completion and track handovers to System is in progress for Phase 2 (Kentonmen – Putrajaya line).

Overall progress improved in July and productivity levels are almost back to pre-MCO levels.

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Notes To The Interim Financial Statements

(The figures have not been audited)

4. Next Year Prospects (cont'd)

(a) GAMUDA ENGINEERING (cont'd)

(iii) Penang Transport Master Plan

The Company's 60%-owned SRS Consortium Sdn Bhd has on 1st July 2020 executed the Master Agreement with the State Government of Penang in respect of the appointment of the PDP to manage and deliver the Penang transport master plan ("PTMP"). The major components of Phase 1 of the project are:

- a. Reclamation Works (Penang South Reclamation Island A).
- b. The Light Rail Transit (LRT) from George Town to Island A of the Penang South Islands; and
- c. The Pan Island Link 1 (PIL1) highway

The implementation of each PTMP component will be formalised at a later stage when the financial architecture is mutually agreed with the Penang State Government. The PDP fee for the PTMP components varies between 5.0% - 5.75%.

Reclamation works for the 2,300-acre Island A is targeted to commence in Q1 of 2021.

The Masterplan Design Competition for the new Penang South Islands (PSI) development has been concluded, which saw BIG - Bjarke Ingels Group from Denmark with Hijjas Architect & Planner being selected as the Lead Masterplan Designer.

(iv) Sarawak

Pan Borneo Highway – WPC04 (Pantu Junction to Btg Skrang)

Naim Engineering Sdn Bhd – Gamuda Berhad JV is the contractor for the Pan Borneo Sarawak package WPC04. The scope includes the widening and upgrading of the existing 89.30km long, 2-lane single carriageway road from Pantu Junction to Batang Skrang to a 4-lane dual carriageway of JKR R5 standard.

Overall cumulative progress at the end of August 2020 was at 55%.

Sarawak : Batang Lupar Bridge at Sri Aman Town (RM224 mil)

Naim Engineering Sdn Bhd – Gamuda Berhad JV accepted the award of the Second Trunk Road (Package B3) Proposed Batang Lupar Bridge No 2 at Sri Aman Town project valued at RM224 million on 24 February 2020. Extension of Time (EOT) No.1 due to Movement Control Order (MCO) was granted on 18th August 2020. The new target completion date will be on 9 June 2024.

Overall cumulative progress at the end of August 2020 was at 1%.

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(The figures have not been audited)

4. Next Year Prospects (cont'd)

(a) GAMUDA ENGINEERING (cont'd)

(v) Taiwan

Marine Bridge Project

The Group's 70%-owned joint venture with a Taiwanese company is constructing a 1.23 km marine bridge worth NTD3,955 million (equivalent to RM522 million) for CPC Corporation Taiwan, a state-owned petroleum company which is expected to be completed in November 2022.

Construction of temporary access bridge and working platform is nearing completion, and offshore piling works are progressing well. The overall cumulative progress as at end August 2020 was at 19%.

Seawall for Reclamation Project (RM932 mil)

Gamuda's 70%-owned joint venture with a Taiwanese company has in December 2019 won the tender to construct 4,014 meters of seawall structure with contract price of NTD6,817 million for Taiwan International Ports Corporation, a state-owned port operation company. Completion is targeted for March 2025.

The overall cumulative progress as at end August 2020 was at 2%, with construction of caisson fabrication yard progressing as planned.

(vi) Gamuda Australia

Gamuda (Australia) Branch and Gamuda Engineering (Australia) Pty Ltd are well established and expected to contribute positively. We are actively bidding for over AUD10 billion worth of projects in New South Wales, Victoria, Queensland and Western Australia.

Notable projects currently under tender:

- AU\$2.6 billion M6 Motorway in New South Wales
- AU\$20 billion Sydney Metro West Project

(vii) Singapore : Batu Gali Multi-Storey Bus Depot (RM799 mil)

The Land Transport Authority of Singapore (LTA) awarded the SGD\$260 mil contract for the Batu Gali Multi-Storey Bus Depot to Greatearth Corporation-Gamuda Berhad Singapore Branch Joint Venture on 12 November 2019. The project consists of a three-storey administrative building, a five-storey dormitory and a five-storey main depot equipped with parking spaces for 715 buses, refuelling and washing facilities, repair and maintenance facilities with cutting-edge technology to cater for the operation of electric buses. The contract duration is 41 months.

The overall cumulative progress as at end July 2020 was at 1% due to the restriction of Circuit Breaker in Singapore. The project resumed operations in early August 2020 with physical site clearing and hoarding installation.

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4. Next Year Prospects (cont'd)

(b) GAMUDA LAND

The property division sold RM2.2 billion worth of properties compared with RM3.1 billion sold last year. Overseas projects continued to lead in sales performance; contributing two-thirds of overall sales. The property division remains committed to grow core business segments and to reduce inventories.

(i) Overseas

Gamuda City in Hanoi and Celadon City in Ho Chi Minh City continued to deliver steady sales performance and remained to biggest contributor of overseas sales. Sales at 661 Chapel Street in Melbourne, Australia picked up significantly this year.

OLA Residences, an executive condominium with a GDV of SGD660 million at Anchorvale Crescent in Singapore, pre-sold one-third or SGD230 million worth of properties since its launch in mid-March 2020.

(ii) Malaysia

Sales from local projects gradually recovered following the easing of movement restrictions in early May 2020. Q4FY2020 sales improved to RM230 million from the Q3FY2020 sales of RM92 million.

On-going projects are:

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

Gamuda Land expanded its digital footprint via its Online Deals platform to extend market reach. Seamless online to off-line experience is provided with the reactivation of all Experience Galleries from May 2020.

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(The figures have not been audited)

4. Next Year Prospects (cont'd)

(c) GAMUDA INFRASTRUCTURE CONCESSIONS

(i) Expressway

Since the lifting of MCO travel restrictions, traffic volumes are trending up, compared to pre-MCO levels, as follows:

- KESAS and LITRAK – 100%
- SPRINT – 98%
- SMART – 88%

(ii) Water

Splash, 40% owned by Gamuda, was sold to Pengurusan Air Selangor Sdn Bhd for RM2.55 billion. Based on the terms of the sale, RM1.97 billion had been received while the balance proceeds of RM578 million will be settled in eight equal annual instalments. In September 2020, the Group had successfully monetise the balance proceeds by selling it via an Asset Backed Securitisation structure.

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

Gamuda Berhad (29579-T)

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5. Dividends

The Board of Directors does not recommend the payment of final dividend for the fourth quarter in respect of the financial year ended 31 July 2020.

The total dividend declared and paid for the current financial year is a dividend of 6.00 sen per ordinary share. In respect of the preceding year's corresponding period, a total interim dividend of 12.00 sen per ordinary share was declared.

a) Dividend Paid and Payable

	12 months ended 31 July	
	2020	2019
	RM'000	RM'000
<u>First Interim Dividend</u>		
First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2020 was paid on 25 February 2020.	* 148,890	-
First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2019 was paid on 25 January 2019	-	148,083
Second interim dividend comprising single tier dividend of 6 sen per ordinary share for the year ended 31 July 2019 has been paid on 6 August 2019	-	148,272
	<u>148,890</u>	<u>296,355</u>
* <u>Dividend Reinvestment Plan</u>		
The Company's first Dividend Reinvestment Plan was completed on 26 February 2020 upon the listing and quotation of 19,829,839 new Gamuda Share at RM3.60 per share on the Main market of Bursa Malaysia Securities Bhd., and	71,387	-
Balance dividend paid on 25 February 2020.	77,503	-
	<u>148,890</u>	<u>-</u>

Gamuda Berhad (29579-T)

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6. Trade Receivables

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

Receivables of the Group is analysed as follows:

Note	As At	As At
	31-Jul-20	31-Jul-19
	RM'000	RM'000
Current		
Trade receivables		
Due from third parties	(a) 1,500,972	1,183,637
Due from associated companies	19,805	20,023
Due from joint venture	(b) 411,475	676,811
	1,932,252	1,880,471
Impaired	(132,083)	(127,436)
	1,800,169	1,753,035
Other receivables		
Sundry receivables	348,704	184,995
	2,148,873	1,938,030

Ageing analysis of current trade receivables:-

Neither past due nor impaired	1,445,071	1,548,887
1 to 30 days past due not impaired	217,997	72,302
31 to 60 days past due not impaired	33,961	20,828
61 to 90 days past due not impaired	16,437	13,874
91 to 120 days past due not impaired	13,925	7,024
More than 121 days past due not impaired	(c) 72,778	90,120
	355,098	204,148
Impaired	132,083	127,436
Total trade receivables	1,932,252	1,880,471

a) Due from third parties

Included are amount totaling to RM723 million due from government and government linked companies.

b) Due from joint venture

Included is an amount of RM410 million due from its 50% owned MMC Gamuda KVMRT (T) Sdn. Bhd. ("MGKT"). MGKT is the underground works contractor for KVMRT Line 2.

c) More than 121 days past due not impaired

Included is mainly related to Kesas outstanding toll compensation claim of RM60 million from Government of Malaysia.

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Notes To The Interim Financial Statements

(The figures have not been audited)

7. Group Borrowings and Debt Securities

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

	As At 31 Jul 20			As At 31 Jul 19		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Long Term Borrowings						
Medium Term Notes						
- Gamuda	-	1,750,000	1,750,000	-	1,300,000	1,300,000
- Gamuda Gardens	-	100,000	100,000	-	300,000	300,000
- Kesas	285,000	-	285,000	375,000	-	375,000
Term Loans						
- Gamuda	-	434,571	434,571	-	433,128	433,128
- twentyfive.7	339,380	-	339,380	401,395	-	401,395
- Celadon City	-	-	-	84,958	-	84,958
Revolving Credits						
- Jade Hills	43,220	-	43,220	63,260	-	63,260
	667,600	2,284,571	2,952,171	924,613	2,033,128	2,957,741
Short Term Borrowings						
Medium Term Notes						
- Gamuda	-	400,000	400,000	-	300,000	300,000
- Kesas	90,000	-	90,000	90,000	-	90,000
- Gamuda Gardens	-	200,000	200,000	-	300,000	300,000
Commercial Papers						
- Gamuda	-	600,000	600,000	-	150,000	150,000
Term Loans						
- Gamuda	-	-	-	-	382,402	382,402
- twentyfive.7	75,000	-	75,000	39,366	-	39,366
- Celadon City	87,353	-	87,353	169,916	-	169,916
- Gamuda Singapore	-	-	-	-	150,750	150,750
Revolving Credits						
- Gamuda	-	847,310	847,310	-	450,297	450,297
- Taiwan - Dong Pi	-	66,770	66,770	-	-	-
- Pan Borneo	-	129,000	129,000	-	118,000	118,000
- Jade Home	17,526	-	17,526	5,036	-	5,036
- Gamuda Singapore	-	-	-	-	30,150	30,150
	269,880	2,243,079	2,512,960	304,318	1,881,599	2,185,917
Total Borrowings	937,481	4,527,650	5,465,131	1,228,931	3,914,727	5,143,658

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

	As At 31 Jul 20		As At 31 Jul 19	
	Foreign Currency ('000)	RM'000 Equivalent	Foreign Currency ('000)	RM'000 Equivalent
RM	-	5,107,608	-	4,654,246
USD	48,000	203,400	13,000	53,638
VND	478,125,000	87,353	1,434,375,000	254,874
SGD	-	-	60,000	180,900
TWD	464,000	66,770	-	-
		5,465,131		5,143,658

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Notes To The Interim Financial Statements

(The figures have not been audited)

8. Basis of Preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the Group’s audited consolidated financial statements for the financial year ended 31 July 2019.

The accounting policies and presentations adopted for this interim financial report are consistent with those adopted for the audited consolidated financial statements for the financial year ended 31 July 2019.

The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the audited financial statements for the year ended 31 July 2019, except for the adoption of the following new and amendments Malaysian Financial Reporting Standards (MFRSs) mandatory for annual periods beginning on or after 1 January 2019:

MFRS 16	Leases
Amendments to MFRS 9	Prepayable financial assets with negative compensation
Amendments to MFRS 119	Plan amendment, curtailment or settlement
Amendments to MFRS 128	Long-term interests in Associates and Joint Ventures
Annual improvements to MFRS 3 and MFRS 11	Previously held interest in a Joint Operation
Annual improvements to MFRS 112	Income Tax Consequences of Payments on Financial Instruments Classified as Equity
Annual improvements to MFRS 123	Borrowing Costs Eligible for Capitalisation
IC Interpretation 23	Uncertainty over income tax treatments

The adoption of the new and amendments standards did not have any material effect on the financial performance or position of the Group.

i) Adoption of MFRS 16 - Lease

MFRS 16 supersedes MFRS 117 “Leases” (“MFRS 117”) and related interpretation. Under MFRS 16, a lease is a contract (or part of a contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

MFRS 16 eliminates the classification of leases by the lessee as either finance leases (on balance sheet) or operating leases (off balance sheet). MFRS 16 requires a lessee to recognise a “right-of-use” of the underlying asset and a lease liability reflecting future lease payments for most leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 - Property, Plant and Equipment and the lease liability is accreted over time with interest expense recognised in the income statements.

For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The Group has adopted the modified retrospective approach as permitted by MFRS 16 and has not restated the comparatives. The reclassifications and adjustments arising from the adoption of MFRS 16 are therefore recognised in the opening balance of statement of financial position as at the date of initial application (1 August 2019).

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Notes To The Interim Financial Statements

(The figures have not been audited)

8. Basis of Preparation (cont'd)

i) Adoption of MFRS 16 – Lease (cont'd)

The impact of the adoption of MFRS 16 is as follows:

(a) Leases previously classified as operating leases

Recognition of lease liabilities measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application (1 August 2019).

(b) Recognition of the associated right-of-use assets at an amount equal to the lease liability, adjusted for any prepaid or accrued lease payments.

ii) Adoption of Annual Improvements to MFRS 123 – Borrowing Costs Eligible for Capitalisation

The Annual Improvement to MFRS 123 requires borrowings obtained specifically for the construction of a qualifying asset to be designated as general borrowings when the qualifying asset is ready for its intended use or sale. Hence, instead of charging to profit and loss, such borrowing costs are capitalised as part of other qualifying assets. This has resulted in the capitalisation of additional finance costs of RM6.1 million into property development expenditure.

iii) MFRS123: Borrowing Costs relating to over time transfer of constructed good (Agenda Decision 4 (“AD4”))

In March 2019, IFRS Interpretations Committee (“IFRS”) concluded that interest cost should not be capitalised for assets created under the percentage-of-completion method i.e. receivables, contract assets and inventories as these assets do not meet the definition of qualifying assets. On 20 March 2019, the Malaysian Accounting Standards Board allowed the affected entities to apply changes in accounting policies to their financial statements in relation to AD4 beginning on or after 1 July 2020.

The Group opts for early adoption of AD4 during the financial year. The Group has restated the comparative financial statements to amounts reflecting the adoption of AD4. The majority of adjustments required on adoption is made, retrospectively, against retained earnings.

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(The figures have not been audited)

8. Basis of Preparation (cont'd)

The effect to the financial statements from adoption of Annual Improvements of MFRS 123 are as follows:

	As previously stated	Effect of adoption of Amendments of MFRS 123	As restated
	RM'000	RM'000	RM'000
Consolidated income statement			
For the financial year ended 31 July 2019			
Revenue	4,565,062	-	4,565,062
Operating expenses	(4,093,302)	15,961	(4,077,341)
Other income	217,544	-	217,544
Profit from operations	689,304	15,961	705,265
Finance costs	(91,931)	(25,390)	(117,321)
Share of profit of associated companies	126,634	-	126,634
Share of profit of joint ventures	184,842	1,692	186,534
Profit before taxation	908,849	(7,737)	901,112
Income tax expenses	(150,654)	1,810	(148,844)
Profit for the year	758,195	(5,927)	752,268
Profit attributable to:-			
Owners of the Company	706,113	(5,927)	700,186
Non-controlling interests	52,082	-	52,082
	758,195	(5,927)	752,268
Earning per share attributable to			
Owners of the Company (sen)			
Basic	28.60		28.36
Diluted	28.60		28.36

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Notes To The Interim Financial Statements

(The figures have not been audited)

8. Basis of Preparation (cont'd)

The effect to the financial statements from adoption of Annual Improvements of MFRS 123 are as follows:
(cont'd)

	As previously stated	Effect of adoption of Amendments of MFRS 123	As restated
	RM'000	RM'000	RM'000
Consolidated financial position As at 31 July 2019			
ASSETS			
Non-current assets			
Interests in joint arrangements	1,201,555	(223)	1,201,332
Deferred tax assets	40,924	843	41,767
Other non-current assets	7,861,345	-	7,861,345
	<u>9,103,824</u>		<u>9,104,444</u>
Current assets			
Property development costs	1,886,996	(1,640)	1,885,356
Inventories	774,933	(9,736)	765,197
Other current assets	5,425,419	-	5,425,419
	<u>8,087,348</u>		<u>8,075,972</u>
TOTAL ASSETS	<u>17,191,172</u>		<u>17,180,416</u>
EQUITY AND LIABILITIES			
Equity attributable to Owners of the Company			
Share capital	3,469,729	-	3,469,729
Reserves	4,601,578	(8,684)	4,592,894
Owners' equity	<u>8,071,307</u>	-	<u>8,062,623</u>
Non-controlling interests	399,317	-	399,317
TOTAL EQUITY	<u>8,470,624</u>		<u>8,461,940</u>
Non-current liabilities			
Other non-current liabilities	3,621,800	-	3,621,800
	<u>3,621,800</u>	-	<u>3,621,800</u>
Current liabilities			
Provision for liabilities	76,645	(2,072)	74,573
Other current liabilities	5,022,103	-	5,022,103
	<u>5,098,748</u>		<u>5,096,676</u>
TOTAL LIABILITIES	<u>8,720,548</u>		<u>8,718,476</u>
TOTAL EQUITY AND LIABILITIES	<u>17,191,172</u>		<u>17,180,416</u>

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9. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 July 2019 was not subject to any qualification.

10. Seasonal or Cyclical Factors

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

11. Unusual Items

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

12. Changes in Estimates

There were no changes in estimates of amounts reported previously that have any material effect in the current period under review.

13. Changes in Equity Securities

During the financial period to-date, the Company increased its issued and paid up share capital (excluding share premium) from 2,472,322,033 as at 31 July 2019 to 2,513,527,654 as at 31 July 2020 by way of issuance of 40,728,839 new ordinary shares pursuant to the exercise of the Employees' Share Option Scheme ('ESOS') and 476,782 conversion of warrants. The Gamuda ESOS has subsequently expired on 9 April 2020.

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

14. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements as at 31 July 2019.

15. Material Events Subsequent to Balance Sheet Date

There were no material events subsequent to the end of the quarter under review.

16. Changes in Composition of the Group

There were no material changes in the composition of the Group for the period ended 31 July 2020.

17. Other Comprehensive Income (OCI)

Included in other comprehensive income for the period ended 31 July 2020 is a net foreign exchange gain of RM94 million. The net foreign exchange gain resulted from the gain on foreign currency translation of the Group's overseas assets due to the weaker Ringgit Malaysia.

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18. Income Tax

	3 months ended		12 months ended	
	31 July		31 July	
	2020	(Restated) 2019	2020	(Restated) 2019
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	84,031	26,272	205,499	153,871
- Prior year	(586)	22,192	(3,652)	28,449
Deferred tax				
- Current year	(2,628)	2,410	(34,369)	(13,512)
- Prior year	(3,404)	(21,628)	(6,206)	(19,964)
	<u>77,413</u>	<u>29,246</u>	<u>161,272</u>	<u>148,844</u>

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

19. Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

20. Status of Corporate Proposals

Proposed Dividend Reinvestment Plan

On 14 December 2018, the Company announced to undertake the proposed Dividend Reinvestment Plan.

The plan provides the shareholders of Gamuda with an option to elect to reinvest entire portion of the First Interim Dividend into new Shares.

The Dividend Reinvestment Plan ("DRP") was approved by the shareholders of the Company at the Extraordinary General Meeting held on 5 December 2019.

The Company's first DRP in respect of the first interim dividend for FY 2020 of 6 sen per share was completed on 26 February 2020 upon the listing and quotation of 19,829,839 new Gamuda Shares on the Main Market of Bursa Malaysia Securities Berhad.

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21. Changes in Contingent Liabilities or Contingent Assets

There are no significant contingent liabilities or contingent assets.

22. Provision of Financial Assistance

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

a) Company Guarantees

1. The Company and its joint venture partner, MMC Corporation Berhad ("MMC"), issued parent company guarantees to guarantee the due performance and obligations of MMC - Gamuda KVMRT (T) Sdn. Bhd. ("Tunnel JV") in the underground works packages of the Klang Valley Mass Rapid Transit Project Sungai Buloh - Kajang Line ("KVMRT Line 1") and Klang Valley Mass Rapid Transit Project Sungai Buloh - Serdang - Putrajaya Line ("KVMRT Line 2"). Tunnel JV is equally owned by MMC and the Company.
2. The Company and its joint venture partner, MMC, have also issued parent company guarantees to guarantee the due performance and obligations of MMC - Gamuda KVMRT (PDP SSP) Sdn. Bhd. ("PDP SSP") as the Project Delivery Partner ("PDP") of KVMRT Line 2. PDP SSP is equally owned by MMC and the Company.
3. The Company and its joint venture partner, Naim Engineering Sdn Bhd ("NAIM") have issued parent company guarantees to guarantee the due performance and obligations of Naim Gamuda (NAGA) JV Sdn Bhd ("NAGA JV") 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 JV and balance 70% is owned by NAIM.

The parent company guarantees for the contracts in (1) and (2) have not been called because Tunnel JV and PDP SSP have performed and met their obligations in compliance with the terms of the contract.

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

b) Advances to sub-contractors

The amount for advances to sub-contractors as at 31 July 2020 are as follows:

	RM'000
Non-interest bearing advances	<u>301,462</u>

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

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(The figures have not been audited)

23. Capital Commitments

The amount for capital commitments not provided for in the interim financial statements as at 31 July 2020 are as follows:

	RM'000
Approved and contracted for :-	
Plant & Equipment	<u>9,038</u>

24. Material Litigation

The Group was not engaged in any material litigation as at 25 September 2020.

25. Earning Per Share

	Current Quarter 31-Jul-20	Current Year To Date 31-Jul-20
Basic		
Net profit attributable to shareholders (RM'000)	<u>(17,340)</u>	<u>371,680</u>
Number of ordinary shares in issue as at 1 Aug 2019 ('000)	2,472,322	2,472,322
Effect of shares issued during the year ('000)	<u>41,206</u>	<u>15,471</u>
Weighted average number of ordinary shares in issue ('000)	<u>2,513,528</u>	<u>2,487,793</u>
Basic earnings per ordinary share (sen)	<u>(0.69)</u>	<u>14.94</u>
Diluted		
Net profit attributable to shareholders (RM'000)	<u>(17,340)</u>	<u>371,680</u>
Weighted average number of ordinary shares in issue ('000)	2,513,528	2,487,793
- Assumed shares issued from the exercise of ESOS ('000)*	-	-
- Assumed shares issued from the conversion of Warrants 2016/2021 ('000)	-	-
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	<u>2,513,528</u>	<u>2,487,793</u>
Diluted earnings per ordinary share (sen)	<u>(0.69)</u>	<u>14.94</u>

* Gamuda ESOS was expired on 9 April 2020.

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(The figures have not been audited)

26. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter 31-Jul-20 RM'000	Current Year To Date 31-Jul-20 RM'000
Interest income	(64,987)	(146,424)
Other income	(16,157)	(64,645)
Loss/(Gain) on disposal of property, plant and equipment	19	(458)
Loss/(Gain) on disposal of investment property	186	(2,223)
	<u>(80,939)</u>	<u>(213,750)</u>
Interest expense	63,088	139,340
Depreciation and amortisation	61,905	223,127
Provision for impairment of receivables	-	-
Provision for and write-off of inventories	-	-
Gain on disposal of quoted or unquoted investment	-	-
Provision for impairment of assets	148,100	148,100
Gain on foreign exchange	(1)	(118)
Gain on derivatives	-	-
	<u>-</u>	<u>-</u>

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