



**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED  
31 DECEMBER 2021**

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**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021<sup>(1)</sup>**

|  | <b>CURRENT<br/>YEAR<br/>QUARTER</b> | <b>PRECEDING<br/>YEAR<br/>QUARTER</b> | <b>CURRENT<br/>YEAR TO<br/>DATE</b> | <b>PRECEDING<br/>YEAR TO<br/>DATE</b> |
|--|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|  | <b>31.12.2021</b>                   | <b>31.12.2020</b>                     | <b>31.12.2021</b>                   | <b>31.12.2020</b>                     |
|  | <b>RM'000</b>                       | <b>RM'000</b>                         | <b>RM'000</b>                       | <b>RM'000</b>                         |
| REVENUE  | 144,834                             | 128,111                               | 424,924                             | 362,813                               |
| COST OF SALES  | (130,305)                           | (114,564)                             | (377,549)                           | (320,799)                             |
| GROSS PROFIT   | 14,529                              | 13,547                                | 47,375                              | 42,014                                |
| OTHER INCOME   | 471                                 | 417                                   | 1,635                               | 2,917                                 |
|  | 15,000                              | 13,964                                | 49,010                              | 44,931                                |
| ADMINISTRATIVE EXPENSES  | (1,599)                             | (2,014)                               | (7,501)                             | (8,517)                               |
| OTHER EXPENSES   | (1,930)                             | (684)                                 | (4,197)                             | (2,627)                               |
| PROFIT BEFORE TAXATION   | 11,471                              | 11,266                                | 37,312                              | 33,787                                |
| INCOME TAX EXPENSE   | (3,157)                             | (3,069)                               | (9,521)                             | (9,262)                               |
| PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR             | 8,314                               | 8,197                                 | 27,791                              | 24,525                                |
| <b>PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:</b> |                                     |                                       |                                     |                                       |
| - Owners of the Company  | 8,498                               | 8,543                                 | 28,622                              | 25,689                                |
| - Non-controlling Interest   | (184)                               | (346)                                 | (831)                               | (1,164)                               |

**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021<sup>(1)</sup> (CONT'D)**

|  | <b>CURRENT<br/>YEAR<br/>QUARTER</b> | <b>PRECEDING<br/>YEAR<br/>QUARTER</b> | <b>CURRENT<br/>YEAR TO<br/>DATE</b> | <b>PRECEDING<br/>YEAR TO<br/>DATE</b> |
|--|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|  | <b>31.12.2021</b>                   | <b>31.12.2020</b>                     | <b>31.12.2021</b>                   | <b>31.12.2020</b>                     |
|  | <b>RM'000</b>                       | <b>RM'000</b>                         | <b>RM'000</b>                       | <b>RM'000</b>                         |
| <b>EARNINGS PER SHARE<br/>("EPS") ATTRIBUTABLE<br/>TO OWNERS OF THE<br/>COMPANY(SEN)</b> |                                     |                                       |                                     |                                       |
| - Basic EPS  | 0.91                                | 0.91 <sup>(2)</sup>                   | 3.05                                | 2.74 <sup>(2)</sup>                   |
| - Diluted EPS  | 0.91                                | 0.91 <sup>(2)</sup>                   | 3.05                                | 2.74 <sup>(2)</sup>                   |

**Notes:**

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.
- (2) For comparative purpose, the EPS for the quarter and year to date ended 31 December 2020 has been adjusted to reflect the bonus issue of new ordinary shares on the basis of 1 bonus share for every 2 existing ordinary share which was completed on 30 June 2021.

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021<sup>(1)</sup>**

|  | <b>As At<br/>31.12.2021</b> | <b>As At<br/>31.12.2020</b> |
|--|-----------------------------|-----------------------------|
|  | <b>Unaudited<br/>RM'000</b> | <b>Audited<br/>RM'000</b>   |
| <b>ASSETS</b>  |                             |                             |
| <b>NON-CURRENT ASSETS</b>                                      |                             |                             |
| Property, plant and equipment                                  | 26,174                      | 25,425                      |
| Goodwill   | -                           | 1,286                       |
|  | <u>26,174</u>               | <u>26,711</u>               |
| <b>CURRENT ASSETS</b>  |                             |                             |
| Contract assets  | 144,234                     | 112,711                     |
| Trade receivables  | 67,948                      | 33,265                      |
| Other receivables, deposits and prepayments                    | 12,936                      | 10,164                      |
| Short-term investments   | 68,904                      | 64,252                      |
| Fixed deposits with licensed banks                             | 9,859                       | 8,396                       |
| Cash and bank balances   | 7,976                       | 9,107                       |
|  | <u>311,857</u>              | <u>237,895</u>              |
| <b>TOTAL ASSETS</b>  | <u>338,031</u>              | <u>264,606</u>              |
| <b>EQUITY AND LIABILITIES</b>                                  |                             |                             |
| <b>EQUITY</b>  |                             |                             |
| Share capital  | 62,564                      | 62,564                      |
| Retained profits   | 87,187                      | 71,378                      |
| Equity attributable to owners of the Company                   | 149,751                     | 133,942                     |
| Non-controlling interest                                       | 1,491                       | 1,422                       |
| <b>TOTAL EQUITY</b>  | <u>151,242</u>              | <u>135,364</u>              |
| <b>NON-CURRENT LIABILITY</b>                                   |                             |                             |
| Deferred tax liability   | 1,088                       | 1,483                       |
| <b>CURRENT LIABILITIES</b>                                     |                             |                             |
| Contract liabilities   | 652                         | 93                          |
| Trade payables   | 60,990                      | 39,780                      |
| Other payables and accruals                                    | 115,146                     | 80,202                      |
| Provision  | 5,040                       | 4,656                       |
| Current tax liabilities  | 3,873                       | 3,028                       |
|  | <u>185,701</u>              | <u>127,759</u>              |
| <b>TOTAL LIABILITIES</b>                                       | <u>186,789</u>              | <u>129,242</u>              |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            | <u>338,031</u>              | <u>264,606</u>              |
| Number of issued shares ('000)                                 | 937,500                     | 625,000                     |
| Net asset per share attributable to owners of the Company (RM) | <u>0.16</u>                 | <u>0.21</u>                 |

**Note:**

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021<sup>(1)</sup>**

|   | Share<br>Capital | Retained<br>Profits | Attributable<br>to Owners<br>of the<br>Company | Non-<br>controlling<br>Interest | Total<br>Equity |
|---|------------------|---------------------|--|---------------------------------|-----------------|
|   | RM'000           | RM'000              | RM'000   | RM'000                          | RM'000          |
| Balance at 1.1.2020   | 62,564           | 58,189              | 120,753  | 2,586                           | 123,339         |
| Profit/(Loss) after<br>taxation/Total<br>comprehensive<br>income/<br>(expenses) for the<br>financial year | -                | 25,689              | 25,689   | (1,164)                         | 24,525          |
| Distributions to<br>owners of the<br>Company:   |                  |                     |  |                                 |                 |
| - Dividends   | -                | (12,500)            | (12,500)                                       | -                               | (12,500)        |
| <b>Balance at 31.12.2020<br/>(Audited)</b>  | <b>62,564</b>    | <b>71,378</b>       | <b>133,942</b>                                 | <b>1,422</b>                    | <b>135,364</b>  |
| Balance at 1.1.2021   | 62,564           | 71,378              | 133,942  | 1,422                           | 135,364         |
| Profit/(Loss) after<br>taxation/Total<br>comprehensive<br>income/<br>(expenses) for the<br>financial year | -                | 28,622              | 28,622   | (831)                           | 27,791          |
| Contributions by and<br>distributions to<br>owners of the<br>Company:                                     |                  |                     |  |                                 |                 |
| - Additional<br>investments by<br>non-controlling<br>interest   | -                | -                   | -  | 900                             | 900             |
| - Dividends   | -                | (12,813)            | (12,813)                                       | -                               | (12,813)        |
| <b>Balance at 31.12.2021<br/>(Unaudited)</b>  | <b>62,564</b>    | <b>87,187</b>       | <b>149,751</b>                                 | <b>1,491</b>                    | <b>151,242</b>  |

**Note:**

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2021<sup>(1)</sup>**

|   | <b>CURRENT<br/>YEAR ENDED<br/>31.12.2021<br/>RM'000</b> | <b>PRECEDING<br/>YEAR ENDED<br/>31.12.2020<br/>RM'000</b> |
|---|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                             |   |   |
| Profit before taxation  | 37,312  | 33,787  |
| Adjustments for:-   |   |   |
| Depreciation of property, plant and equipment                           | 6,720   | 6,408   |
| Plant and equipment written off   | 7   | 59  |
| Provision for defect works  | 1,134   | 3,334   |
| Impairment on goodwill  | 1,286   | -   |
| Gain on disposal of plant and equipment                                 | #   | (6)   |
| Interest income   | (910)   | (2,366)   |
| Reversal of provision for defect works                                  | (750)   | (3,412)   |
| Operating profit before working capital changes                         | 44,799  | 37,804  |
| Increase in contract assets   | (31,524)  | (22,643)  |
| Increase in trade and other receivables                                 | (37,454)  | (13,249)  |
| Increase/(Decrease) in contract liabilities                             | 560   | (2,767)   |
| Increase in trade and other payables                                    | 56,153  | 28,537  |
| <b>CASH FROM OPERATIONS</b>   | <b>32,534</b>   | <b>27,682</b>   |
| Income tax paid   | (9,071)   | (8,974)   |
| Income tax refunded   | -   | 51  |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                               | <b>23,463</b>   | <b>18,759</b>   |
| <b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>                       |   |   |
| (Increase)/Decrease in pledged fixed deposits with licensed banks       | (1,463)   | 2,429   |
| Interest income received  | 910   | 2,366   |
| Proceeds from disposal of plant and equipment                           | #   | 14  |
| Purchase of property, plant and equipment                               | (7,476)   | (4,079)   |
| <b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>                         | <b>(8,029)</b>  | <b>730</b>  |
| <b>NET CASH FOR FINANCING ACTIVITIES</b>                                |   |   |
| Acquisition of shares in a subsidiary by a non-controlling interest     | 900   | -   |
| Dividends paid  | (12,813)  | (12,500)  |
| Advances from related parties   | -   | 500   |
| <b>NET CASH FOR FINANCING ACTIVITIES</b>                                | <b>(11,913)</b>   | <b>(12,000)</b>   |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>                        | <b>3,521</b>  | <b>7,489</b>  |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b> | <b>73,359</b>   | <b>65,870</b>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>           | <b>76,880</b>   | <b>73,359</b>   |



**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021<sup>(1)</sup> (CONT'D)**

**Notes:**

(1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

# Amount below RM1,000.

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021****A1. Basis of Preparation**

The interim financial report of the Group is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting, International Financial Reporting Standards (“IFRS”) 34, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020.

**A2. Changes in Accounting Policies**

The accounting policies adopted by the Group in the preparation of the interim financial report are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2020, except for the following:

MFRSs and/or IC Interpretations (Including the Consequential Amendments) which came into effect for financial periods beginning on or after 1 January 2021.

Amendments to MFRS 16: COVID-19-Related Rent Concessions

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16:  
Interest Rate Benchmark Reform – Phase 2

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) do not have any material impact on the unaudited consolidated financial statements of the Group upon their initial application.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the current financial year:

Standards issued but not yet effective:

| <b>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</b>      | <b>Effective for annual periods on or after</b> |
|--|---|
| Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021         | 1 April 2021                                    |
| Amendments to MFRS 3: Reference to the Conceptual Framework                          | 1 January 2022                                  |
| Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use | 1 January 2022                                  |
| Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract            | 1 January 2022                                  |
| Annual Improvements to MFRS Standards 2018 - 2020                                    | 1 January 2022                                  |

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)****A2. Changes in Accounting Policies (Cont'd)**

Standards issued but not yet effective (Cont'd):

| <b>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</b>   | <b>Effective for annual periods on or after</b> |
|---|---|
| MFRS 17 Insurance Contracts and Amendments to MFRS 17   | 1 January 2023                                  |
| Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current   | 1 January 2023                                  |
| Amendments to MFRS 101: Disclosure of Accounting Policies   | 1 January 2023                                  |
| Amendments to MFRS 108: Definition of Accounting Estimates  | 1 January 2023                                  |
| Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction                  | 1 January 2023                                  |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred  |

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

**A3. Auditors' Report**

The audited financial statements for the financial year ended 31 December 2020 were not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The business operations of the Group during the current financial quarter under review have not been materially affected by any seasonal or cyclical factors.

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items for the current financial quarter under review.

**A6. Changes in Estimates**

There were no material changes in accounting estimates that would materially affect the accounts for the current financial quarter under review.



**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)**

**A7. Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and current financial year ended 31 December 2021.

**A8. Dividends Paid**

The dividends paid during the current financial year ended 31 December 2021 is as follows:

- A second interim single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2020, amounting to RM6,250,000 was paid on 26 March 2021; and
- A first interim single-tier dividend of 0.7 sen per ordinary share in respect of the financial year ended 31 December 2021, amounting to RM6,562,500 was paid on 21 September 2021.

**A9. Segmental Reporting**

No segmental reporting is available as the Group is primarily engaged in the business of provision of construction services in Malaysia.

**A10. Significant Event Subsequent to the End of the Interim Financial Period**

There are no significant events subsequent to the end of the interim financial period up to 18 February 2022 (the latest practicable date which is not earlier than 7 days from the date of this interim report).

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter and financial year under review.

**A12. Fair Value of Financial Instruments**

There were no gain or losses arising from fair value changes for all financial assets and liabilities for the current financial quarter and financial year under review.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONT'D)****A13. Capital Commitments**

|                                 | <b>As At<br/>31.12.2021</b> | <b>As At<br/>31.12.2020</b> |
|---------------------------------|-----------------------------|-----------------------------|
|                                 | <b>RM'000</b>               | <b>RM'000</b>               |
| Purchase of plant and equipment | -                           | 2,068                       |

**A14. Contingent Liabilities**

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:

|   | <b>As At<br/>31.12.2021</b> | <b>As At<br/>31.12.2020</b> |
|---|-----------------------------|-----------------------------|
|   | <b>RM'000</b>               | <b>RM'000</b>               |
| <b>Secured</b>  |                             |                             |
| Performance bond and tender bond guarantees extended by subsidiaries to third parties | 76,210                      | 63,690                      |

**A15. Related Party Transactions**

There was no material transaction with related parties during the current financial quarter and financial year under review.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of Performance**

|         | Quarter Ended      |                    |          |       |
|---------|--------------------|--------------------|----------|-------|
|         | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 | Variance |       |
|         |                    |                    | RM'000   | %     |
| Revenue | 144,834            | 128,111            | 16,723   | 13.05 |
| PBT     | 11,471             | 11,266             | 205      | 1.82  |

For the current financial quarter ended 31 December 2021, GDB's revenue rose by 13.05% to RM144.83 million from RM128.11 million for the corresponding quarter last year. The improved revenue was due to the increase in construction activities for on-going projects.

GDB's profit before tax (PBT) rose slightly by 1.82% to RM11.47 million in the current financial quarter as compared to RM11.27 million in the corresponding quarter last year, impacted by lower profit margins for on-going projects generally, increase in construction material prices and labour costs, additional project preliminaries and staff costs due to prolonged contract durations, impairment of goodwill as well as COVID-19 Standard Operating Procedures ("SOP") compliance costs. This negative impacts in profit margin are however mitigated by the profits recognised for completed projects for the current quarter under review.

|         | Year-To-Date Ended |                    |          |       |
|---------|--------------------|--------------------|----------|-------|
|         | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 | Variance |       |
|         |                    |                    | RM'000   | %     |
| Revenue | 424,924            | 362,813            | 62,111   | 17.12 |
| PBT     | 37,312             | 33,787             | 3,525    | 10.43 |

For the current financial year ended 31 December 2021, revenue improved by 17.12% to RM424.92 million from RM362.81 million in the corresponding period last year, attributed mainly to the following factors:

- advanced stages and higher execution of construction activities for on-going projects during the financial year under review. The Group has successfully completed the Aira Residence and Hap Seng Star Mercedes-Benz Autohaus project on 11 March 2021 and 11 October 2021 respectively; and
- contribution from project secured in November 2020 namely 8 Conlay for the current financial year as compared to early stages of construction during the corresponding period last year.

The Group registered a PBT of RM37.31 million for the current financial year ended 31 December 2021 which increased 10.43% from RM33.79 million for the corresponding period last year. While the improvement is in line with the higher revenue and profits recognised for completed projects, the PBT is nonetheless impacted by the lower profit margins from on-going projects, increase in construction material prices and labour costs, higher project preliminaries and staff costs due to the prolonged contract durations from the lockdowns and COVID-19 preventive and control measures, impairment of goodwill as well as COVID-19 SOP compliance costs for the current year under review.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B2. Comparison with the Immediate Preceding Financial Quarter**

|         | Quarter Ended      |                   |                    |       |
|---------|--------------------|-------------------|--------------------|-------|
|         | 31.12.21<br>RM'000 | 30.9.21<br>RM'000 | Variance<br>RM'000 | %     |
| Revenue | 144,834            | 88,266            | 56,568             | 64.09 |
| PBT     | 11,471             | 7,867             | 3,604              | 45.81 |

Group revenue in the current financial quarter under review jumped by a significant 64.09% to RM144.83 million as compared to RM88.27 million for the immediate preceding financial quarter.

This increase in revenue is mainly due to advanced stages and increase in construction activities for on-going projects, after the Group progressively obtained approval from Ministry of International Trade and Industry (MITI) to resume construction activities, with the last project approved by mid-August 2021. The Group was also gradually permitted to operate at full working capacity upon achieving 80% vaccination rate in the respective site's workforce, with the last project only achieving full working capacity by end of September 2021.

Group PBT for the current quarter under review increased 45.81%, supported by the increase in revenue and reduced administrative expenses for the current quarter under review. However, the PBT was impacted by an impairment of goodwill.

**B3. Prospects for the Financial Year Ending 31 December 2022**

Despite the challenging circumstances in the year under review, the Group successfully delivered two projects, namely AIRA Residence and Hap Seng Star Mercedes-Benz Autohaus at Setia Alam on 11 March 2021 and 11 October 2021 respectively, which were handed over 1 day and 8 days ahead of the contractual completion dates. The Group also commemorated the topping out of the 61-storey Tower A of KSK Land's 8 Conlay, marking the structural completion of the first of three towers in the Group's undertaking.

The Group is expected to remain profitable in the financial year ending 31 December 2022 with its outstanding order book as at 31 December 2021 of RM1.54 billion providing earnings visibility until first quarter of the financial year ending 31 December 2024. This order book consists of construction works for Park Regent at Desa ParkCity, Perla Ara Sentral in Ara Damansara, Hyatt Centric Hotel in Kota Kinabalu, Sabah and 8 Conlay in Jalan Conlay, Kuala Lumpur City Centre.

The Group has undertaken the necessary prudent measures to ensure stability of its finances and business operations, with proper SOPs put in place to ensure smooth progress and to avoid interruptions of construction activities. The Group remains vigilant of the impact of lower profit margin generally on current on-going projects and the impact on the price fluctuation of construction materials, higher labour costs, COVID 19-related costs, as well as higher project preliminaries and staff costs caused by prolonged project durations.

Barring unforeseen circumstances, the Group is optimistic of its performance for the financial year ending 31 December 2022.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B4. Profit Forecast**

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

**B5. Income Tax Expense**

The breakdown of income tax expense is as follows:

|  | Quarter Ended           |                         | Year-To-Date Ended      |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | 31.12.21 <sup>(2)</sup> | 31.12.20 <sup>(2)</sup> | 31.12.21 <sup>(2)</sup> | 31.12.20 <sup>(2)</sup> |
|  | RM'000                  | RM'000                  | RM'000                  | RM'000                  |
| Current tax  |                         |                         |                         |                         |
| - for the financial year   | 3,256                   | 3,168                   | 10,159                  | 8,970                   |
| - (over)/under provision in prior year                             | -                       | -                       | (242)                   | 688                     |
| Deferred tax   |                         |                         |                         |                         |
| - realisation of deferred taxation on usage of plant and equipment | (99)                    | (99)                    | (396)                   | (396)                   |
|  | <u>3,157</u>            | <u>3,069</u>            | <u>9,521</u>            | <u>9,262</u>            |
| Effective tax rate (%) <sup>(1)</sup>                              | <u>27.52</u>            | <u>27.24</u>            | <u>25.52</u>            | <u>27.41</u>            |

**Notes:**

(1) The Group's effective tax rate for the current financial year under review and corresponding financial year are 25.52% and 27.41% respectively. The lower effective tax rate for the current financial period as compared to corresponding period last year is mainly due to adjustment for over provision of income tax in prior year.

(2) Income tax expense is recognised based on management's best estimate.

**B6. Utilisation of Proceeds Raised from Public Issue**

The Company had on 26 March 2021 resolved to vary the intended purposes for the utilisation of part of the unutilised IPO Proceeds ("Variation") and to extend the timeframe for the utilisation of the remaining unutilised IPO Proceeds for a further twenty-four (24) months period ("Further Extension of Time") until 26 March 2023.



**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B6. Utilisation of Proceeds Raised from Public Issue (Cont'd)**

Details of the Variation, Further Extension of Time and status of utilisation of the IPO proceeds are as set out below:

| Description of Utilisation   | Utilisation of IPO Proceeds |                          |                        |                    |                      | Timeframe from the Listing Date |                              |                           |
|--|-----------------------------|--------------------------|------------------------|--------------------|----------------------|---------------------------------|------------------------------|---------------------------|
|  | Initial Allocation          | Deviation <sup>(a)</sup> | Variation              | Actual Utilisation | Balance Unutilised   | Initial Intended Timeframe      | Previously Revised Timeframe | Further Extension of Time |
|  | RM'000                      | RM'000                   | RM'000                 | RM'000             | RM'000               |                                 |                              |                           |
| <b>Capital expenditure:</b>  |                             |                          |                        |                    |                      |                                 |                              |                           |
| - Purchase of new construction machinery and equipment   | 8,670                       | -                        | (6,845) <sup>(b)</sup> | (1,825)            | -                    | Within 3 years                  | No change                    | No change                 |
| - Acquisition of a new office building   | 8,000                       | -                        | -                      | (8,000)            | -                    | Within 3 years                  | No change                    | No change                 |
| - Acquisition of land for storage  | 8,000                       | -                        | -                      | -                  | 8,000 <sup>(d)</sup> | Within 1 year                   | Within 3 years               | Within 5 years            |
| <b>Working capital:</b>  |                             |                          |                        |                    |                      |                                 |                              |                           |
| - Payment to suppliers and subcontractors  | 14,900                      | 673                      | 7,525                  | (23,098)           | -                    | Within 1 year                   | No change                    | Within 5 years            |
| - Payment of salaries for new employees (for infrastructure project team) to be based at the head office | 680                         | -                        | (680) <sup>(c)</sup>   | -                  | -                    | Within 1 year                   | Within 3 years               | No change                 |
| <b>Estimated listing expenses</b>  | 3,500                       | (673)                    | -                      | (2,827)            | -                    | Within 3 months                 | No change                    | No change                 |
| <b>Total</b>   | <b>43,750</b>               | <b>-</b>                 | <b>-</b>               | <b>(35,750)</b>    | <b>8,000</b>         |                                 |                              |                           |



**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B6. Utilisation of Proceeds Raised from Public Issue (Cont'd)**

**Notes:**

- (a) The actual listing expenses are lower than the estimated amount hence, the excess of RM0.67 million was used for working capital purposes.
- (b) RM6.845 million of the RM8.670 million budgeted for the purchase of new construction machinery and equipment has been re-allocated as payment to suppliers and subcontractors.
- (c) RM0.68 million as budgeted for the payment of salaries for new employees (for infrastructure project team) to be based at the head office has been re-allocated as payment to suppliers and subcontractors.
- (d) Timeframe for utilisation of the RM8.0 million is by 26 March 2023.

**B7. Status of Corporate Proposals**

There were no corporate proposals announced by the Company but not completed as at the date of this report.

**B8. Group Borrowings and Debt Securities**

There are no borrowings and debt securities by the Group for the current financial quarter and financial year under review.

**B9. Material Litigation**

As at the date of this report, the Group is not engaged in any material litigation.

**B10. Proposed Dividend**

On 25 February 2022, the Board has approved the declaration of second interim single-tier dividend of 0.7 sen per ordinary share totalling approximately RM6.56 million in respect of the financial year ended 31 December 2021. The entitlement to dividend will be determined on the record of depositors as at 15 March 2022. The second interim dividend will be paid on 29 March 2022.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B11. Earnings Per Share**

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:

|   | <b>Quarter Ended</b> |                 | <b>Year-To-Date Ended</b> |                 |
|---|----------------------|-----------------|---------------------------|-----------------|
|   | <b>31.12.21</b>      | <b>31.12.20</b> | <b>31.12.21</b>           | <b>31.12.20</b> |
|   | <b>RM'000</b>        | <b>RM'000</b>   | <b>RM'000</b>             | <b>RM'000</b>   |
| Profit attributable to owners of the Company                              | <u>8,498</u>         | <u>8,543</u>    | <u>28,622</u>             | <u>25,689</u>   |
| Weighted average number of ordinary shares in issue ('000):               |                      |                 |                           |                 |
| - Ordinary shares at 1 January  | 625,000              | 625,000         | 625,000                   | 625,000         |
| - Bonus issue of shares   | <u>312,500</u>       | <u>312,500</u>  | <u>312,500</u>            | <u>312,500</u>  |
| Weighted average number of ordinary shares in issue at 31 December ('000) | <u>937,500</u>       | <u>937,500</u>  | <u>937,500</u>            | <u>937,500</u>  |
| Earnings per share (Sen) attributable to owners of the Company            |                      |                 |                           |                 |
| - Basic <sup>(1)</sup>  | 0.91                 | 0.91            | 3.05                      | 2.74            |
| - Diluted <sup>(2)</sup>  | <u>0.91</u>          | <u>0.91</u>     | <u>3.05</u>               | <u>2.74</u>     |

**Notes:**

- (1) The basic earnings per share is computed based on profit attributable to owners of the Company divided by the number of ordinary shares in issue taking into account the bonus shares of 1 bonus share for every 2 existing ordinary share which was completed on 30 June 2021. For comparative purpose, the EPS for the corresponding quarter and year to date ended 31 December 2020 also has been adjusted to reflect the bonus shares.
- (2) The diluted EPS per share is similar to the basic EPS as there is no potential dilutive ordinary share outstanding arising from the exercise of GDB Warrants as at end of the current financial quarter and financial year under review.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income**

Profit before taxation is arrived at after charging / (crediting):

|   | Quarter Ended      |                    | Year-To-Date Ended |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 |
| <b>Other Income</b>                     |                    |                    |                    |                    |
| Gain on disposal of plant and equipment | -                  | -                  | #                  | 6                  |
| Interest income:                        |                    |                    |                    |                    |
| - fixed deposits with licensed banks    | 86                 | 130                | 383                | 853                |
| - short-term investments                | 172                | 110                | 527                | 1,513              |
| Lease income from plant equipment       | 10                 | 6                  | 37                 | 30                 |
| Scrap sales                             | 162                | 118                | 553                | 307                |
| Others                                  | 41                 | 53                 | 135                | 208                |
| <b>Total Other Income</b>               | <b>471</b>         | <b>417</b>         | <b>1,635</b>       | <b>2,917</b>       |

|                                 | Quarter Ended      |                    | Year-To-Date Ended |                    |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                 | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 | 31.12.21<br>RM'000 | 31.12.20<br>RM'000 |
| <b>Administrative Expenses</b>  |                    |                    |                    |                    |
| Auditors' remuneration:         |                    |                    |                    |                    |
| - audit fees                    | 32                 | 27                 | 113                | 108                |
| - other services                | 1                  | 1                  | 5                  | 5                  |
| Directors' fees                 | 56                 | 56                 | 226                | 226                |
| Directors' non-fee emoluments:  |                    |                    |                    |                    |
| - salaries and other emoluments | 458                | 370                | 1,660              | 1,499              |
| - defined contribution plan     | 38                 | 30                 | 134                | 125                |
| Staff costs:                    |                    |                    |                    |                    |
| - salaries and other emoluments | 675                | 962                | 3,558              | 4,108              |
| - defined contribution plan     | 104                | 101                | 422                | 470                |
| Lease expenses:                 |                    |                    |                    |                    |
| - short-term leases             | 5                  | 18                 | 62                 | 90                 |
| Professional fees               | 98                 | 47                 | 361                | 643                |
| Miscellaneous expenses          | 132                | 402                | 960                | 1,243              |
|                                 | <b>1,599</b>       | <b>2,014</b>       | <b>7,501</b>       | <b>8,517</b>       |

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income (Cont'd)**

Profit before taxation is arrived at after charging / (crediting) (Cont'd):

|   | <b>Quarter Ended</b> |                     | <b>Year-To-Date Ended</b> |                      |
|---|----------------------|---------------------|---------------------------|----------------------|
|   | <b>31.12.21</b>      | <b>31.12.20</b>     | <b>31.12.21</b>           | <b>31.12.20</b>      |
|   | <b>RM'000</b>        | <b>RM'000</b>       | <b>RM'000</b>             | <b>RM'000</b>        |
| <b>Other Expenses</b>                         |                      |                     |                           |                      |
| Depreciation of property, plant and equipment | 642                  | 679                 | 2,602                     | 2,603                |
| Plant and equipment written off               | -                    | 5                   | #                         | 24                   |
| Impairment of goodwill                        | 1,286                | -                   | 1,286                     | -                    |
| Unrealised loss on short-term investments     | 2                    | -                   | 309                       | -                    |
|   | <u>1,930</u>         | <u>684</u>          | <u>4,197</u>              | <u>2,627</u>         |
| <b>Total Admin and Other Expenses</b>         | <b><u>3,529</u></b>  | <b><u>2,698</u></b> | <b><u>11,698</u></b>      | <b><u>11,144</u></b> |

**Note:**

# Amount below RM1,000.

BY ORDER OF THE BOARD