



**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED
31 DECEMBER 2022**

CONTENTS

	PAGE
Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income	1 - 2
Unaudited Consolidated Statements of Financial Position	3
Unaudited Consolidated Statements of Changes in Equity	4
Unaudited Consolidated Statements of Cash Flows	5 - 6
Explanatory Notes to the Interim Financial Report	7 - 10
Additional Information Required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad	11 - 20

**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022⁽¹⁾**

	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
REVENUE	64,836	144,834	510,055	424,924
COST OF SALES	(61,346)	(130,305)	(480,175)	(377,549)
GROSS PROFIT	3,490	14,529	29,880	47,375
OTHER INCOME	540	471	2,337	1,635
	4,030	15,000	32,217	49,010
ADMINISTRATIVE EXPENSES	(1,821)	(1,599)	(7,879)	(7,501)
FINANCE COST	(7)	-	(61)	-
OTHER EXPENSES	(576)	(1,930)	(2,481)	(4,197)
PROFIT BEFORE TAXATION	1,626	11,471	21,796	37,312
INCOME TAX BENEFIT/ (EXPENSE)	41	(3,157)	(5,557)	(9,521)
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR	1,667	8,314	16,239	27,791
PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:				
- Owners of the Company	2,019	8,498	17,198	28,622
- Non-controlling Interest	(352)	(184)	(959)	(831)

**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)**

	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE COMPANY(SEN)				
- Basic EPS	0.22	0.91	1.83	3.05
- Diluted EPS	0.22	0.91	1.83	3.05

Note:

- (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 2021 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022⁽¹⁾**

	As At 31.12.2022	As At 31.12.2021
	Unaudited RM'000	Audited RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	20,734	26,174
CURRENT ASSETS		
Contract assets	117,427	144,235
Trade receivables	165,369	67,948
Other receivables, deposits and prepayments	18,855	12,935
Short-term investments	20,844	68,904
Fixed deposits with licensed banks	17,223	9,859
Cash and bank balances	8,200	7,976
	<u>347,918</u>	<u>311,857</u>
TOTAL ASSETS	<u>368,652</u>	<u>338,031</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	62,564	62,564
Retained profits	97,823	87,187
Equity attributable to owners of the Company	160,387	149,751
Non-controlling interest	532	1,491
TOTAL EQUITY	<u>160,919</u>	<u>151,242</u>
NON-CURRENT LIABILITY		
Deferred tax liability	692	1,088
CURRENT LIABILITIES		
Contract liabilities	-	652
Trade payables	109,857	60,990
Other payables and accruals	90,516	115,146
Provision	5,366	5,040
Current tax liabilities	1,302	3,873
	<u>207,041</u>	<u>185,701</u>
TOTAL LIABILITIES	<u>207,733</u>	<u>186,789</u>
TOTAL EQUITY AND LIABILITIES	<u>368,652</u>	<u>338,031</u>
Number of issued shares ('000)	937,500	937,500
Net asset per share attributable to owners of the Company (RM)	0.17	0.16

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 2021 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 2022⁽¹⁾**

	Share Capital	Retained Profits	Attributable to Owners of the Company	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.1.2021	62,564	71,378	133,942	1,422	135,364
Profit/(Loss) after taxation/Total comprehensive income/(expenses) for the financial year	-	28,622	28,622	(831)	27,791
Contribution by and distribution to owners of the Company:					
- Additional investments by non-controlling interest	-	-	-	900	900
- Dividends	-	(12,813)	(12,813)	-	(12,813)
Balance at 31.12.2021 (Audited)	62,564	87,187	149,751	1,491	151,242
Balance at 1.1.2022	62,564	87,187	149,751	1,491	151,242
Profit/(Loss) after taxation/Total comprehensive income/(expenses) for the financial year	-	17,198	17,198	(959)	16,239
Distribution to owners of the Company:					
- Dividend	-	(6,562)	(6,562)	-	(6,562)
Balance at 31.12.2022 (Unaudited)	62,564	97,823	160,387	532	160,919

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 2021 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022⁽¹⁾**

	CURRENT FINANCIAL YEAR ENDED 31.12.2022 RM'000	PRECEDING FINANCIAL YEAR ENDED 31.12.2021 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit before taxation	21,796	37,312
Adjustments for:-		
Depreciation of property, plant and equipment	6,545	6,720
Interest expense	61	-
Plant and equipment written off	17	7
Provision for defect works	2,687	1,134
Impairment of goodwill	-	1,286
Gain on disposal of plant and equipment	(232)	#
Interest income	(1,122)	(910)
Reversal of provision for defect works	(2,361)	(751)
Operating profit before working capital changes	<u>27,391</u>	<u>44,798</u>
Decrease/(Increase) in contract assets	26,807	(31,524)
Increase in trade and other receivables	(103,340)	(37,453)
(Decrease)/Increase in contract liabilities	(652)	560
Increase in trade and other payables	<u>24,177</u>	<u>56,153</u>
CASH (FOR)/FROM OPERATIONS	<u>(25,617)</u>	<u>32,534</u>
Income tax paid	<u>(8,525)</u>	<u>(9,071)</u>
NET CASH (FOR)/FROM OPERATING ACTIVITIES	<u>(34,142)</u>	<u>23,463</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Increase in pledged fixed deposits with licensed banks	(7,364)	(1,463)
Interest income received	1,122	910
Proceeds from disposal of plant and equipment	259	#
Purchase of plant and equipment	<u>(1,149)</u>	<u>(7,476)</u>
NET CASH FOR INVESTING ACTIVITIES	<u>(7,132)</u>	<u>(8,029)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Acquisition of shares in a subsidiary by non-controlling interest	-	900
Dividends paid	<u>(6,562)</u>	<u>(12,813)</u>
NET CASH FOR FINANCING ACTIVITIES	<u>(6,562)</u>	<u>(11,913)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(47,836)	3,521
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>76,880</u>	<u>73,359</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>29,044</u>	<u>76,880</u>



UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022⁽¹⁾ (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 2021 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 2022****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 Group’s audited financial statements for the financial year ended 31 December 2021.

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 2021, except for the following:

MFRSs and/or IC Interpretations (including the Consequential Amendments) which came into effect for the financial periods beginning on or after 1 January 2022.

Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

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:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective for annual periods on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)****A2. Changes in Accounting Policies (Cont'd)**

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

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective for annual periods on or after
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
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 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
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 2021 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter and financial year 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 and financial year 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 and financial year under review.



A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D)

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter and financial year ended 31 December 2022.

A8. Dividend Paid

The dividend paid during the current financial year ended 31 December 2022 is as follows:

- A second 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 29 March 2022.

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 20 February 2023 (the latest practicable date which is not earlier than 7 days from the date of this interim report) except as follows:-

(a) Status of works of the 8 Conlay project

GDBSB had lifted the suspension of works for the 8 Conlay project on 9 January 2023. Based on the Architect's instruction under Clause 21.4 of the PAM Contract, GDBSB has remobilised and recommenced facade work for Tower A following the receipt of partial payment towards the outstanding sums from DCSB to GDBSB pursuant to the terms of the agreement and supplementary correspondences. The remobilisation and recommencement of construction works for the full scope of works under the 8 Conlay project is scheduled for early April 2023, subject to full settlement of the outstanding sums payable to GDBSB by DCSB.

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 significant 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 2022 (CONT'D)****A13. Capital Commitments**

	As At 31.12.2022	As At 31.12.2021
	RM'000	RM'000
Purchase of plant and equipment	<u>56</u>	<u>-</u>

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:

	As At 31.12.2022	As At 31.12.2021
	RM'000	RM'000
Secured		
Performance bond and tender bond guarantees extended by subsidiaries to third parties	<u>73,601</u>	<u>76,210</u>

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			
	31.12.22	31.12.21	Variance	
	RM'000	RM'000	RM'000	%
Revenue	64,836	144,834	(79,998)	(55.23)
PBT	1,626	11,471	(9,845)	(85.83)

For the current financial quarter ended 31 December 2022, GDB recorded a decline in revenue of 55.23% (or -RM79.99 million) from RM144.83 million in the same quarter last year to RM64.84 million, due mainly to the impact of work suspension on the 8 Conlay project starting from 16 August 2022.

The Group registered a decline of 85.83% (or -RM9.84 million) in profit before tax (PBT) to RM1.63 million from RM11.47 million for the same quarter last year in tandem with the decline in revenue, as well as lower profit margins from on-going projects as a result of the following factors:

- increase in construction material prices and labour costs; and
- higher project preliminaries and staff costs due to the prolonged contract durations mainly due to lockdowns and movement restrictions.

	Year-to-Date Ended			
	31.12.22	31.12.21	Variance	
	RM'000	RM'000	RM'000	%
Revenue	510,055	424,924	85,131	20.03
PBT	21,796	37,312	(15,516)	(41.58)

For the current financial year ended 31 December 2022, revenue improved by 20.03% (or RM85.13 million) to RM510.05 million as compared to RM424.92 million in the corresponding financial year in line with higher execution of construction activities for on-going projects in the current financial year as compared to the corresponding financial year when project sites were not operating at full capacity due to movement restrictions.

However, group PBT registered a 41.58% (or -RM15.51 million) reduction to RM21.80 million from RM37.31 million in the previous corresponding year. The decline in PBT is mainly due to the following factors:-

- increase in construction material prices and labour costs; and
- higher project preliminaries and staff costs due to the prolonged contract durations as a result of lockdowns and movement restrictions.

**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			
	31.12.22 RM'000	30.09.22 RM'000	Variance RM'000	%
Revenue	64,836	128,752	(63,916)	(49.64)
PBT	1,626	5,172	(3,546)	(68.56)

Group revenue in the current financial quarter under review declined by 49.64% (or -RM63.91 million) from RM128.75 million compared to the immediate preceding financial quarter of RM64.84 million mainly due to the impact of minimal revenue contribution from the 8 Conlay project following the suspension of works starting from 16 August 2022.

The decline in PBT to RM1.63 million as compared to RM5.17 million in the immediate preceding financial quarter is in tandem with the decline in revenue.

B3. Prospects for the Financial Year Ending 31 December 2023

The Group has successfully completed two projects during the financial year ended 31 December 2022, namely the Hyatt Centric Hotel in Kota Kinabalu on 30 August 2022 and Perla Ara Sentral in Ara Damansara on 30 September 2022.

The Group also successfully replenished its order book by RM247.0 million on 19 December 2022 upon securing the design and build contract to construct a Logistic Hub ("SDPLOG 1") in Persiaran Bukit Raja, Klang, Selangor. With this, the Group's outstanding order book stood at RM1.28 billion as at 31 December 2022, which provides earnings visibility until the financial year ending 31 December 2024. This outstanding order book consists of construction works for the newly-secured SDPLOG 1 project, Park Regent in Desa ParkCity and 8 Conlay in Jalan Conlay, Kuala Lumpur City Centre, as well as the sub-contract for bored piling works at Bandar Kuala Lumpur.

On the 8 Conlay works suspension starting from 16 August 2022, the Group filed a Writ of Summons and Statement of Claim at the High Court of Malaya at Kuala Lumpur against KSK in the capacity of DCSB's holding company, for a total outstanding sum of RM120.7 million on 6 October 2022.

On 9 January 2023 the Group announced the upliftment of suspension of works for the 8 Conlay project. Based on the Architect's instruction issued under Clause 21.4 of the PAM Contract, GDBSB has remobilised and recommenced facade work for Tower A following the receipt of partial payment towards the outstanding sums from DCSB to GDBSB pursuant to the terms of the agreement and supplementary correspondences. The remobilisation and recommencement of construction works for the full scope of works under the 8 Conlay project is scheduled for early April 2023, subject to the full settlement of the outstanding sums payable to GDBSB by DCSB.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B3. Prospects for the Financial Year Ending 31 December 2023 (Cont'd)**

In the meantime, the Group has submitted tenders for approximately RM1.4 billion worth of projects which are pending decision from clients and the Group will be submitting additional tenders for projects worth approximately RM1.9 billion by first half of year 2023. These tenders include projects across various building types including commercial, residential, mixed development, hospital and warehouse project. The Group will bid vigilantly given the fluctuating raw material prices and industry-wide labour shortages.

Furthermore, GDB will continue to exercise prudence in its overall financial management, supported by the minimum capital expenditure requirement for its business operations.

Barring unforeseen circumstances, the Group is cautiously optimistic of its performance for the financial year ending 31 December 2023.

B4. Profit Forecast

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

B5. Income Tax Expense

The breakdown of income tax expense is as follows:

	Quarter Ended		Year-To-Date Ended	
	31.12.22	31.12.21	31.12.22	31.12.21
	RM'000	RM'000	RM'000	RM'000
Current tax				
- for the financial period	58	3,256	6,298	10,159
- under/(over) provision in prior year	-	-	(345)	(242)
Deferred tax				
- realisation of deferred taxation on usage of plant and equipment	(99)	(99)	(396)	(396)
	<u>(41)</u>	<u>3,157</u>	<u>5,557</u>	<u>9,521</u>
Effective tax rate (%) ⁽¹⁾	<u>-</u>	<u>27.52</u>	<u>25.50</u>	<u>25.52</u>

Notes:

(1) The Group's effective tax rate for the current financial year under review and preceding financial year are 25.50% and 25.52% respectively. The higher effective tax rate than the statutory tax rate for both financial years are mainly due to certain non-deductible expenses and as off-set by overprovision of income tax in respect of the previous corresponding year.

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



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

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 ^(a)	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			
Capital expenditure:								
- Purchase of new construction machinery and equipment	8,670	-	(6,845) ^(b)	(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 ^(d)	Within 1 year	Within 3 years	Within 5 years
Working capital:								
- 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) ^(c)	-	-	Within 1 year	Within 3 years	No change
Estimated listing expenses	3,500	(673)	-	(2,827)	-	Within 3 months	No change	No change
Total	43,750	-	-	(35,750)	8,000			



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

- (1) Writ of Summons and Statement of Claim filed at the High Court of Malaya at Kuala Lumpur against KSK Land Sdn Bhd, holding company of Damai City Sdn Bhd.

On 7 October 2022, an announcement was made by the Company pertaining to Writ of Summons and Statement of Claim filed at the High Court of Malaya at Kuala Lumpur by its wholly-owned subsidiary, Grand Dynamic Builders Sdn Bhd ("GDBSB") against KSK Land Sdn Bhd ("KSK") on 6 October 2022.

The Writ of Summons and Statement of Claim are to claim against KSK the following:-

- (a) The total outstanding sum of RM120,690,409.12 due and owing to GDBSB under, arising out of, or in connection with the Corporate Guarantee made by KSK in favour of GDBSB;
- (b) Interest at a rate of 5% per annum (or at such other rate the High Court of Malaya at Kuala Lumpur deems fit and reasonable) on the judgement sum from the date of the judgment until the date of the final and full settlement is paid to GDBSB or GDBSB's solicitors;
- (c) Costs; and
- (d) Such further and/or other relief as the High Court of Malaya at Kuala Lumpur deems fit and proper to grant.



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

B9. Material Litigation (Cont'd)

The circumstances at the material time leading to the filing of the legal suit is based on Damai City Sdn Bhd's ("DCSB"), KSK's wholly owned subsidiary, failure to pay to GDBSB the sum of RM120,690,409.12 being outstanding sums due and payable to GDBSB under the Contract. KSK had executed a corporate guarantee in favour of GDBSB on 5 August 2022 to secure the performance of DCSB's obligation to pay any outstanding sums due and payable to GDBSB under the Contract.

GDBSB has since been receiving several instalment payments from DCSB and the said instalment payment sums received so far however represent only a portion of the outstanding sums of RM120,690,409.12.

(2) Syarikat Ong Yoke Lin Sdn Bhd ("SOYLSB") vs GDBSB

SOYLSB was appointed as the nominated sub-contractor for the supply, delivery, installation, testing and commissioning of air conditioning, mechanical ventilation and building management system for the 8 Conlay project ("Sub-Contract"). SOYLSB has previously provided a bank guarantee for its performance bond ("BG") under the Sub-Contract.

On 22 December 2022, SOYLSB obtained a Court Order from Kuala Lumpur High Court for an *ex-parte* interim injunction to restrain GDBSB from calling on a Bank Guarantee for SOYLSB's performance of the Sub-Contract pending the disposal of SOYLSB's Originating Summons dated 21 December 2022 ("OS"). An announcement was made by the Company pertaining to the legal suit and Court Order on 23 December 2022. On 4 January 2023, the Court further extended the ad-interim injunction after an *inter-partes* hearing on the same day. The matter is pending the disposal of the OS to which the High Court has fixed 23 March 2023 for the hearing before the Honourable Judge. An announcement was made by the Company pertaining to the Court Order on 13 January 2023.

On 3 January 2023, GDBSB was served with SOYLSB's Notice of Arbitration in relation to the disputes arising from the Sub-Contract and read together with PAM Sub-Contract 2003 for the 8 Conlay project. SOYLSB is seeking, *inter alia*, for a sum of RM8,794,676.94 being an alleged outstanding Sub-Contract sum and damages sustained as a result of a suspension for an alleged sum of RM20,166,695.22. An announcement was made by the Company pertaining to the Notice of Arbitration on 3 January 2023.

GDBSB is contesting both the legal actions by SOYLSB and has appointed a Malaysian law firm to assist with regards to the High Court case and the arbitration proceedings.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B10. Dividend**

No dividend has been declared or recommended for the current financial year under review.

B11. Earnings Per Share

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

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>31.12.22</u>	<u>31.12.21</u>	<u>31.12.22</u>	<u>31.12.21</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to owners of the Company	<u>2,019</u>	<u>8,498</u>	<u>17,198</u>	<u>28,622</u>
Weighted average number of ordinary shares in issue ('000):				
- Ordinary shares at 1 January	937,500	625,000	937,500	625,000
- Bonus issue of shares	-	312,500	-	312,500
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	0.22	0.91	1.83	3.05
- Diluted ⁽¹⁾	<u>0.22</u>	<u>0.91</u>	<u>1.83</u>	<u>3.05</u>

Note:

- (1) 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 the following items:

	Quarter Ended		Year-To-Date Ended	
	31.12.22 RM'000	31.12.21 RM'000	31.12.22 RM'000	31.12.21 RM'000
Other Income				
Gain on disposal of plant and equipment	35	-	230	#
Interest income:				
- fixed deposits with licensed banks	161	86	546	383
- short-term investments	155	172	576	527
Lease income from plant equipment	11	10	67	37
Scrap sales	28	162	447	553
Others	150	41	471	135
Total Other Income	540	471	2,337	1,635

	Quarter Ended		Year-To-Date Ended	
	31.12.22 RM'000	31.12.21 RM'000	31.12.22 RM'000	31.12.21 RM'000
Administrative Expenses				
Auditors' remuneration:				
- audit fees	28	32	113	113
- other services	1	1	5	5
Directors' fees	61	56	250	226
Directors' non-fee emoluments:				
- salaries and other emoluments	378	458	1,691	1,660
- defined contribution plan	32	38	131	134
Staff costs:				
- salaries and other emoluments	1,005	675	3,946	3,558
- defined contribution plan	99	104	405	422
Lease expenses:				
- short-term leases	16	5	64	62
Professional fees	38	98	249	361
Miscellaneous expenses	163	132	1,025	960
	1,821	1,599	7,879	7,501

**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):

	Quarter Ended		Year-To-Date Ended	
	31.12.22	31.12.21	31.12.22	31.12.21
	RM'000	RM'000	RM'000	RM'000
Finance Cost⁽¹⁾	<u>7</u>	<u>-</u>	<u>61</u>	<u>-</u>
Other Expenses				
Depreciation of property, plant and equipment	576	642	2,462	2,602
Plant and equipment written off	-	-	#	#
Impairment of goodwill	-	1,286	-	1,286
Fair value loss on short-term investments	-	2	19	309
	<u>576</u>	<u>1,930</u>	<u>2,481</u>	<u>4,197</u>
Total Administrative Expenses, Finance Cost and Other Expenses	<u>2,404</u>	<u>3,529</u>	<u>10,421</u>	<u>11,698</u>

Notes:

(1) Finance cost arising from advance from non-controlling interest to a subsidiary for working capital purpose.

Amount below RM1,000.

BY ORDER OF THE BOARD