



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED  
31 MARCH 2023**

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**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023<sup>(1)</sup>**

	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR TO DATE</b>
	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
REVENUE	71,265	168,958	71,265	168,958
COST OF SALES	(68,363)	(156,314)	(68,363)	(156,314)
GROSS PROFIT	2,902	12,644	2,902	12,644
OTHER INCOME	630	611	630	611
	3,532	13,255	3,532	13,255
ADMINISTRATIVE EXPENSES	(2,109)	(2,041)	(2,109)	(2,041)
OTHER EXPENSES	(580)	(658)	(580)	(658)
FINANCE COSTS	(12)	-	(12)	-
PROFIT BEFORE TAXATION	831	10,556	831	10,556
INCOME TAX EXPENSE	(370)	(2,917)	(370)	(2,917)
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	461	7,639	461	7,639
<b>PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:</b>				
- Owners of the Company	667	7,805	667	7,805
- Non-controlling Interest	(206)	(166)	(206)	(166)

**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023<sup>(1)</sup> (CONT'D)**

	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR TO DATE</b>
	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE COMPANY(SEN)</b>				
- Basic EPS	0.07	0.83	0.07	0.83
- Diluted EPS	0.07	0.83	0.07	0.83

**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 2022 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023<sup>(1)</sup>**

	<b>As At 31.03.2023</b>	<b>As At 31.12.2022</b>
	<b>Unaudited RM'000</b>	<b>Audited RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	19,899	20,734
<b>CURRENT ASSETS</b>		
Contract assets	119,152	117,427
Trade receivables	115,385	165,369
Other receivables, deposits and prepayments	13,877	18,855
Short-term investments	15,988	20,844
Fixed deposits with licensed banks	15,390	17,223
Cash and bank balances	36,307	8,200
	<u>316,099</u>	<u>347,918</u>
<b>TOTAL ASSETS</b>	<b><u>335,998</u></b>	<b><u>368,652</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	62,564	62,564
Retained profits	98,490	97,823
Equity attributable to owners of the Company	161,054	160,387
Non-controlling interest	326	532
<b>TOTAL EQUITY</b>	<b><u>161,380</u></b>	<b><u>160,919</u></b>
<b>NON-CURRENT LIABILITY</b>		
Deferred tax liability	593	692
<b>CURRENT LIABILITIES</b>		
Trade payables	67,922	109,857
Other payables and accruals	100,411	90,516
Provision	4,997	5,366
Current tax liabilities	695	1,302
	<u>174,025</u>	<u>207,041</u>
<b>TOTAL LIABILITIES</b>	<b><u>174,618</u></b>	<b><u>207,733</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>335,998</u></b>	<b><u>368,652</u></b>
Number of issued shares ('000)	937,500	937,500
Net asset per share attributable to owners of the Company (RM)	<u>0.17</u>	<u>0.17</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 2022 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023<sup>(1)</sup>**

	<b>Share Capital</b>	<b>Retained Profits</b>	<b>Attributable to Owners of the Company</b>	<b>Non- controlling Interest</b>	<b>Total Equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
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)
<b>Balance at 31.12.2022 (Audited)</b>	<b>62,564</b>	<b>97,823</b>	<b>160,387</b>	<b>532</b>	<b>160,919</b>
Balance at 1.1.2023	62,564	97,823	160,387	532	160,919
Profit/(Loss) after taxation/Total comprehensive income/(expenses) for the financial period	-	667	667	(206)	461
<b>Balance at 31.03.2023 (Unaudited)</b>	<b>62,564</b>	<b>98,490</b>	<b>161,054</b>	<b>326</b>	<b>161,380</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 2022 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023<sup>(1)</sup>**

	<b>CURRENT FINANCIAL PERIOD ENDED 31.03.2023 RM'000</b>	<b>PRECEDING FINANCIAL PERIOD ENDED 31.03.2022 RM'000</b>
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>		
Profit before taxation	831	10,556
Adjustments for:-		
Depreciation of property, plant and equipment	1,462	1,673
Plant and equipment written off	1	10
Interest expense	12	-
Provision for defect works	1	1,142
Gain on disposal of plant and equipment	(48)	(142)
Interest income	(305)	(275)
Reversal of provision for defect works	(370)	-
Operating profit before working capital changes	1,584	12,964
Increase in contract assets	(1,725)	(7,479)
Decrease/(Increase) in trade and other receivables	54,962	(30,841)
Increase in contract liabilities	-	1,982
(Decrease)/Increase in trade and other payables	(32,053)	6,428
<b>CASH FROM/(FOR) OPERATIONS</b>	<b>22,768</b>	<b>(16,946)</b>
Income tax paid	(1,075)	(2,114)
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>	<b>21,693</b>	<b>(19,060)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest income received	305	275
Proceeds from disposal of plant and equipment	56	142
Purchase of plant and equipment	(636)	(559)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(275)</b>	<b>(142)</b>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Decrease/(Increase) in pledged fixed deposits with licensed banks	1,833	(1,487)
Dividend paid	-	(6,563)
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>	<b>1,833</b>	<b>(8,050)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>23,251</b>	<b>(27,252)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>29,044</b>	<b>76,880</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>52,295</b>	<b>49,628</b>



**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023<sup>(1)</sup> (CONT'D)**

**Note:**

- (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 2022 and the accompanying explanatory notes attached to the interim financial report.



**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023**

**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 2022.

**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 2022, except for the following which were adopted at the beginning of the current financial year:

MFRSs and/or IC Interpretations (including the Consequential Amendments) which came into effect for the financial periods beginning on or after 1 January 2023.

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9

- Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) are either not applicable or 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**

Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current

1 January 2024





**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023 (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>
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) are either not applicable or 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 2022 were not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The business operations of the Group during the current financial period 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 period under review.

**A6. Changes in Estimates**

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

**A7. Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter ended 31 March 2023.



**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONT'D)**

**A8. Dividend Paid**

No dividend was paid during the current financial quarter ended 31 March 2023.

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

On 19 April 2023, Grand Dynamic Builders Sdn Bhd (“GDBSB”), a wholly-owned subsidiary of the Company has received a Notice of Determination from Damai City Sdn Bhd (“DCSB”) to determine the Letter of Award dated 9 November 2020 for the development of the 8 Conlay Project. GDBSB takes the position that DCSB’s Notice of Determination is wrongful based on the advice by the solicitors.

On the same day, GDBSB exercised its rights to immediately determine the contract for the 8 Conlay Project and had served a Notice of Determination dated 19 April 2023 pursuant to Clause 26.2 of the PAM Contract and 4 January 2023 agreement (“January Agreement”) to DCSB (“Determination”).

The Determination was served arising from DCSB having failed, refused, and/or neglected to pay the remaining outstanding sums on the date of payment as stipulated in the January Agreement.

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

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

**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONT'D)****A13. Capital Commitments**

	<b>As At 31.03.2023</b>	<b>As At 31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of plant and equipment	<u>65</u>	<u>56</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:

	<b>As At 31.03.2023</b>	<b>As At 31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>		
Performance bond and tender bond guarantees extended by subsidiaries to third parties	<u>67,072</u>	<u>64,539</u>

**A15. Related Party Transactions**

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

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

	Quarter Ended			
	31.03.23 RM'000	31.03.22 RM'000	Variance RM'000	%
Revenue	71,265	168,958	(97,693)	(57.82)
PBT	831	10,556	(9,725)	(92.13)

For the current financial quarter ended 31 March 2023, GDB recorded a decline in revenue of 57.82% (or -RM97.69 million) to RM71.27 million from RM168.96 million in the same quarter last year, mainly due to the impact of work suspension on the 8 Conlay Project from 16 August 2022 with the partial resumption on 9 January 2023 only for façade work of the Tower A and on 24 March 2023 for the remobilisation and recommencement of Tower A.

The Group registered a decline of 92.13% (or -RM9.73 million) in profit before tax (PBT) to RM0.83 million from RM10.56 million for the same quarter last year. This is in tandem with the decline in revenue, as well as lower profit margins from on-going projects as a result of the increase in construction material prices and labour costs, higher project preliminaries and staff costs due to the prolongation of contract durations caused by the previous movement restrictions for COVID as well as incurring preliminaries and overheads during the period where works for the 8 Conlay Project are under full suspension or major portion of the project are under suspension.

**B2. Comparison with the Immediate Preceding Financial Quarter**

	Quarter Ended			
	31.03.23 RM'000	31.12.22 RM'000	Variance RM'000	%
Revenue	71,265	64,836	6,429	9.92
Profit Before Taxation	831	1,626	(795)	(48.89)

Group revenue in the current financial quarter under review improved by 9.92% (or RM6.43 million) to RM71.27 million compared to the immediate preceding financial quarter of RM64.84 million, supported mainly by progress billings from ongoing projects of Logistic Hub in Klang and Park Regent in Desa ParkCity.

The decline in PBT to RM0.83 million as compared to RM1.63 million in the immediate preceding financial quarter was due to higher project preliminaries as well as higher administrative expenses for the current quarter under review. There was some additional profit recognised from completed project in Q4FY2022.

**B3. Prospects for the Financial Year Ending 31 December 2023 ("FYE 2023")**

With the Determination, the Group's outstanding order book totals RM328.1 million, comprising Logistic Hub ("SDPLOG 1") in Klang and Park Regent in Desa ParkCity which provides earnings visibility until financial year ending 31 December 2024. Simultaneously, the Group intends to bolster its future prospects by actively tendering for contracts amidst the prevailing uptrend in the building construction sector. To this end, the Group aims to replenish its order book and has submitted tenders worth a total RM1.5 billion, and will be submitting an additional RM2.8 billion worth of bids for construction projects in the near term. These tenders include projects across various building types including commercial, residential, mixed development, hospital and warehouse projects.

**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 (“FYE 2023”) (Cont’d)**

For FYE 2023 the Group had previously allocated resources for the expected full resumption of the 8 Conlay Project in early April 2023 subject to full settlement of the outstanding sum payable by DCSB. However, the Determination of Contract on 19 April 2023 has disrupted business and resources planning of the Group. Moving forward, the Group is actively pursuing new contract opportunities while the financial performance for FYE 2023 is expected to be challenging.

**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	
	31.03.23 RM'000	31.03.22 RM'000	31.03.23 RM'000	31.03.22 RM'000
Current tax				
- for the financial period	469	3,016	469	3,016
Deferred tax				
- realisation of deferred taxation on usage of plant and equipment	(99)	(99)	(99)	(99)
	<u>370</u>	<u>2,917</u>	<u>370</u>	<u>2,917</u>
Effective tax rate (%) <sup>(1)</sup>	<u>44.52</u>	<u>27.63</u>	<u>44.52</u>	<u>27.63</u>

**Notes:**

(1) The Group’s effective tax rate for the current financial quarter under review and preceding quarter are 44.52% and 27.63% respectively. The higher effective tax rate than the statutory tax rate for current financial quarter is mainly due to lower profit to mitigate the other taxable statutory income as well as non-deductible expenses.

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

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

The Company had on 13 March 2023 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 thirty-six (36) months period (“Further Extension of Time”) until 26 March 2026.

**GDB HOLDINGS BERHAD**

Registration No.: 201301006623 (1036466-U)

**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 5 years	Within 8 years
<b>Working capital:</b>								
- Payment to suppliers and subcontractors	14,900	673	7,525	(23,098)	-	Within 1 year	No change	No change
- 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 under review.

**B9. Material Litigation**

- (1) Disputes and differences between GDBSB and DCSB on the 8 Conlay Project

Following the Determination of the Contract on the 8 Conlay Project on 19 April 2023, GDBSB had on 25 April 2023 issued a Notice of Demand to DCSB for the outstanding sum of RM102,076,171.93 based on certified sums and late payment interest ("Outstanding Sum") which DCSB is required to pay GDBSB on or before 2 May 2023 but DCSB has failed, refused, and/or neglected to pay GDBSB the said Outstanding Sum.

- (i) On 2 May 2023, an announcement was made by the Company pertaining to the Notice of Arbitration dated 28 April 2023 from DCSB pursuant to clause 34 of the PAM Contract which is a notice on commencing arbitration proceedings against GDBSB. In that respect, GDBSB had on 11 May 2023 issued a reply to DCSB in response to the Notice of Arbitration, stating that the Notice of Arbitration by DCSB was issued under the wrong arbitration rules and GDBSB contends that the Purported Notice of Arbitration by DCSB was defective and flawed.
- (ii) On 3 May 2023, GDBSB has issued a Payment Claim under the Section 5 of CIPAA 2012 to DCSB to claim for due and outstanding payment based on a construction contract for construction works carried out but not paid by DCSB on 2 May 2023.



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

**B9. Material Litigation (Cont'd)**

- (1) Disputes and differences between GDBSB and DCSB on the 8 Conlay Project (Cont'd)
- (iii) Based on legal advice by solicitors, GDBSB has on 11 May 2023 issued the Notice of Arbitration to DCSB to claim amongst others, the following relief and remedy (not exhaustive):-
- (a) Outstanding certified sums;
  - (b) Late payment interest;
  - (c) Value of uncertified work executed;
  - (d) Costs, losses, damages, etc.; and
  - (e) Such further and/or other relief as the Arbitrator deems fit and/or appropriate.
- (iv) On 12 May 2023, GDBSB filed a Writ of Summons and Statement of Claim at the High Court of Malaya at Kuala Lumpur against KSK Land Sdn. Bhd. ("KSK"). GDBSB served upon KSK the sealed copy of the Writ of Summons and the Statement of Claim on 15 May 2023.

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

- (a) The total outstanding sum of RM102,076,171.93 due and owing to GDBSB under, arising out of, or in connection with the Corporate Guarantee made by KSK in favour of GDBSB on 5 August 2022 ("Corporate Guarantee");
- (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 judgment 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.

(2) Syarikat Ong Yoke Lin Sdn Bhd vs GDBSB

- (i) On 22 December 2022, Syarikat Ong Yoke Lin Sdn Bhd ("SOYLSB"), 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"), had filed a court action at the High Court of Malaya at Kuala Lumpur for an *ex-parte* interim injunction to restrain GDBSB and its directors, etc. from calling on a Bank Guarantee (defined below) pending the outcome of an arbitration proceedings between SOYLSB and GDBSB.

Under the Sub-Contract, SOYLSB is to provide a bank guarantee as a performance bond equivalent to five percent (5%) of the Sub-Contract sum amounting to RM1,991,164.57 ("Bank Guarantee") which SOYLSB had provided to GDBSB under the Bank Guarantee issued by Standard Chartered Bank Malaysia Berhad for a validity period until 23 December 2023.





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

**B9. Material Litigation (Cont'd)**

(2) Syarikat Ong Yoke Lin Sdn Bhd vs GDBSB (Cont'd)

- (ii) SOYLSB had on 3 January 2023 served GDBSB with a Notice of Arbitration in relation to the disputes arising from the Letter of Acceptance dated 3 February 2021 read together with PAM Sub-Contract 2003 for the 8 Conlay Project. GDBSB has accordingly served on SOYLSB its Response to the Notice of Arbitration dated 2 February 2023.

The Asian International Arbitration Centre (Malaysia) will be administering the arbitration proceedings.

- (iii) In respect of the interim injunction, the High Court Judge has on 12 May 2023 ordered, amongst others, as follows:

- (a) an interim injunction is allowed in favour of SOYLSB where GDBSB whether by themselves, or the directors, managers, officers, employees, servants, agents, shareholders or otherwise is restrained from making a demand on the Bank Guarantee subject to SOYLSB providing a renewed Bank Guarantee on the same terms 3 working days before the expiry of the Bank Guarantee.
- (b) In the event that SOYLSB fails to provide the renewed Bank Guarantee on the same terms 3 working days before the expiry of the Bank Guarantee, the interim injunction granted by the High Court will automatically lapse; and
- (c) Costs in the sum of RM15,000.00 subject to allocator to be paid by GDBSB to SOYLSB in respect of the Originating Summons and no order as to costs in respect of the Notice of Application.

Following the court decision above, GDBSB will be consulting with its solicitors to discuss ways forward and GDBSB may consider lodging an appeal against the decision by the High Court Judge.

**B10. Dividend**

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

**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>31.03.23</b>	<b>31.03.22</b>	<b>31.03.23</b>	<b>31.03.22</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>667</u>	<u>7,805</u>	<u>667</u>	<u>7,805</u>
Weighted average number of ordinary shares in issue ('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	0.07	0.83	0.07	0.83
- Diluted <sup>(1)</sup>	<u>0.07</u>	<u>0.83</u>	<u>0.07</u>	<u>0.83</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 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:

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Other Income</b>				
Gain on disposal of plant and equipment	48	142	48	142
Interest income:				
- fixed deposits with licensed banks	162	95	162	95
- short-term investments	143	180	143	180
Lease income from plant equipment	21	12	21	12
Scrap sales	32	137	32	137
Others	224	45	224	45
<b>Total Other Income</b>	<b>630</b>	<b>611</b>	<b>630</b>	<b>611</b>

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.23</b>	<b>31.03.22</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Administrative Expenses</b>				
Auditors' remuneration:				
- audit fees	28	28	28	28
- other services	1	1	1	1
Directors' remuneration:				
- fees	69	63	69	63
- salaries and other emoluments	475	443	475	443
- defined contribution plan	34	34	34	34
Staff costs:				
- salaries and other emoluments	1,066	1,052	1,066	1,052
- defined contribution plan	84	86	84	86
Short-term lease expenses	16	16	16	16
Other administrative expenses	336	318	336	318
<b>Total Administrative Expenses</b>	<b>2,109</b>	<b>2,041</b>	<b>2,109</b>	<b>2,041</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 the following items (Cont'd):

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.23</b>	<b>31.03.22</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	580	633	580	633
Fair value loss on short-term investments	-	25	-	25
<b>Total Other Expenses</b>	<u>580</u>	<u>658</u>	<u>580</u>	<u>658</u>
<b>Finance Costs <sup>(1)</sup></b>	<u>12</u>	<u>-</u>	<u>12</u>	<u>-</u>
<b>Total Administrative Expenses, Other Expenses and Other Expenses</b>	<u><b>2,701</b></u>	<u><b>2,699</b></u>	<u><b>2,701</b></u>	<u><b>2,699</b></u>

**Note:**

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

BY ORDER OF THE BOARD