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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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GDB HOLDINGS BERHAD

Registration No. 201301006623 (1036466-U)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) PROPOSED BONUS ISSUE OF 312,500,000 NEW ORDINARY SHARES IN GDB HOLDINGS BERHAD (“GDB SHARE(S) OR “SHARE(S)” (“BONUS SHARE(S)”) ON THE BASIS OF 1 BONUS SHARE FOR EVERY 2 EXISTING GDB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”); AND**
- (II) PROPOSED BONUS ISSUE OF 250,000,000 WARRANTS (“WARRANT(S)”) ON THE BASIS OF 2 WARRANTS FOR EVERY 5 EXISTING GDB SHARES HELD ON THE ENTITLEMENT DATE**

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



ALLIANCE INVESTMENT BANK

Alliance Investment Bank Berhad 197401004393 (21605-D)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting of GDB Holdings Berhad (“**GDB**” or “**Company**”) (“**EGM**”) will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, 47410 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 9 June 2021 at 11.30 a.m., or immediately following the conclusion or adjournment of the Company’s Eighth Annual General Meeting (“**8th AGM**”), which will be held at the same venue and on the same day at 10.30 a.m., whichever is later. The Notice of EGM together with the Proxy Form are enclosed with this Circular and available at the Company’s website at <https://www.gdbhb.com.my/>.

As a shareholder, you are entitled to attend and vote at the EGM or appoint a proxy or proxies to attend and vote on your behalf. If you decide to appoint a proxy(ies) to attend and vote on your behalf at the EGM, the Proxy Form should be completed and deposited at the office of the Company’s Share Registrar at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the Proxy Form for the EGM : Monday, 7 June 2021 at 11.30 a.m.
Day, date and time of the EGM : Wednesday, 9 June 2021 at 11.30 a.m.

This Circular is dated 5 May 2021

DEFINITIONS

In this Circular and the accompanying appendices, the following words and abbreviations shall have the following meanings unless otherwise stated:

Act	:	Companies Act 2016
AIBB or Principal Adviser	:	Alliance Investment Bank Berhad
Board	:	Board of Directors of GDB
Bonus Share(s)	:	312,500,000 new ordinary shares in GDB to be issued pursuant to the Proposed Bonus Issue of Shares
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to shareholders of GDB dated 5 May 2021 in relation to the Proposals
Deed Poll	:	The deed poll constituting the Warrants to be executed by our Company and as may be supplemented from time to time
Directors	:	Shall have the same meaning given in Section 2(1) of the Capital Markets and Services Act 2007
EGM	:	Extraordinary General Meeting
Entitlement Date	:	A date to be determined and announced later by the Board, as at the close of business on which the shareholders of GDB must be registered in the Record of Depositors of our Company in order to be entitled to the Proposals
Entitled Shareholders	:	Shareholders whose names appear in the Record of Depositors of our Company on the Entitlement Date
EPS	:	Earnings per share
FPE	:	Financial period ended/ending
FYE	:	Financial year ended/ending
GDB or Company	:	GDB Holdings Berhad
GDB Group or Group	:	GDB and our subsidiaries, collectively
GDB Share(s) or Share(s)	:	Ordinary shares in GDB
Government	:	The government of Malaysia
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	6 April 2021, being the latest practicable date prior to the printing of this Circular
LTD	:	9 April 2021, being the last market day prior to the initial announcement of the Proposals by the Company on 12 April 2021
Main Market	:	Main Market of Bursa Securities

DEFINITIONS (CONT'D)

Market Day(s)	:	Any day on which Bursa Securities is open for trading in securities
NA	:	Net assets
Official List	:	The list specifying all securities listed on the Main Market of Bursa Securities
Proposals	:	Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants, collectively
Proposed Bonus Issue of Shares	:	Proposed bonus issue of 312,500,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing GDB Shares held on the Entitlement Date
Proposed Bonus Issue of Warrants	:	Proposed bonus issue of 250,000,000 Warrants on the basis of 2 Warrants for every 5 existing GDB Shares held on the Entitlement Date
Record of Depositors	:	A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository
RM and sen	:	Ringgit Malaysia and sen, respectively
Share Registrar or Boardroom	:	Boardroom Share Registrars Sdn Bhd
TEBP	:	Theoretical ex-bonus share price
VWAMP	:	Volume weighted average market price
Warrants	:	250,000,000 warrants to be issued pursuant to the Proposed Bonus Issue of Warrants

All references to “GDB” or “our Company” in this Circular are to GDB Holdings Berhad, references to “GDB Group” or “Group” are to our Company and our subsidiaries and references to “we”, “us”, “our” and “ourselves” are to our Group, our Company, and where the context otherwise requires, our subsidiaries.

All references to “you” in this Circular are to the shareholders of our Company.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference to a time of day in this Circular is a reference to Malaysian time, unless otherwise stated.

Any reference in this Circular to any legislation is a reference to that legislation as for the time being amended or re-enacted.

Certain figures in this Circular have been subject to rounding adjustments.

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EXECUTIVE SUMMARY

All definitions used in this Executive Summary shall have the same meaning as the words and expressions provided in the “Definitions” Section and context of the Circular.

This Executive Summary highlights only the pertinent information of the Proposals. Shareholders are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the EGM.

Key information	Description
Summary of the Proposals	<p>On 12 April 2021, on behalf of our Board, AIBB announced that our Company proposed to undertake the following Proposals:</p> <p>(i) <u>Proposed Bonus Issue of Shares</u></p> <p>Proposed bonus issue of 312,500,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing GDB Shares held on the Entitlement Date.</p> <p>(ii) <u>Proposed Bonus Issue of Warrants</u></p> <p>Proposed bonus issue of 250,000,000 Warrants on the basis of 2 Warrants for every 5 existing GDB Shares held on the Entitlement Date.</p> <p>On 22 April 2021, on behalf of our Board, AIBB announced that Bursa Securities had, vide its letter dated 21 April 2021, provided its approval-in-principle for the following:</p> <p>(a) admission of the Warrants to the Official List;</p> <p>(b) listing of and quotation for the Warrants;</p> <p>(c) listing of and quotation for the Bonus Shares; and</p> <p>(d) listing of and quotation for the new GDB Shares to be issued arising from the exercise of the Warrants,</p> <p>on the Main Market of Bursa Securities.</p>
Rationale for the Proposals	<p>The Proposals are an appropriate avenue for us to reward our existing shareholders. The rationale for the Proposals are set out below:</p> <p>(i) <u>Proposed Bonus Issue of Shares</u></p> <p>(a) will enable the shareholders to have a greater participation in the equity of our Company; and</p> <p>(b) is expected to further enhance the trading liquidity of GDB Shares on Bursa Securities.</p> <p>(ii) <u>Proposed Bonus Issue of Warrants</u></p> <p>(a) will enable existing shareholders of our Company to participate in convertible securities of our Company;</p> <p>(b) will provide existing shareholders of our Company with an opportunity to increase their equity participation in our Company;</p> <p>(c) will allow existing shareholders of our Company to benefit from any potential capital appreciation of the Warrants; and</p>

EXECUTIVE SUMMARY (CONT'D)

Key information	Description
	(d) will help to strengthen our Company's capital base and shareholders' funds as well as potentially provide additional working capital for our Group, as and when the Warrants are exercised.
Approvals Required	The Proposals are subject to the following approvals being obtained: (i) Bursa Securities, the approval of which was obtained on 21 April 2021; (ii) The shareholders of GDB for the Proposals at an EGM to be convened; and (iii) Any other relevant authorities and/or third parties, if required.
Board's Recommendation	Our Board recommends that you VOTE IN FAVOUR of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM, the details of which are set out in the cover page of this Circular and the Notice of EGM as enclosed.



GDB HOLDINGS BERHAD
Registration No. 201301006623 (1036466-U)
(Incorporated in Malaysia)

Registered Office:
Third Floor, No. 77, 79 & 81
Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

5 May 2021

BOARD OF DIRECTORS

Tan Sri Dato' Ir. Hj. Zaini Bin Omar (*Independent Non-Executive Chairman*)
Cheah Ham Cheia (*Group Managing Director*)
Alexander Lo Tzone Leong (*Group Executive Director*)
Cheah Jun Kai (*Executive Director*)
Datuk Sr Chia Lui Meng (*Independent Non-Executive Director*)
Kow Poh Gek (*Independent Non-Executive Director*)

To: Our shareholders

Dear Sir/Madam,

- (I) PROPOSED BONUS ISSUE OF SHARES; AND**
- (II) PROPOSED BONUS ISSUE OF WARRANTS**

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

On 12 April 2021, on behalf of our Board, AIBB announced that our Company proposed to undertake the Proposed Bonus Issue of Shares and Proposed Bonus Issue of Warrants.

On 22 April 2021, on behalf of our Board, AIBB announced that Bursa Securities had, vide its letter dated 21 April 2021, provided its approval-in-principle for the following:

- (a) admission of the Warrants to the Official List;
- (b) listing of and quotation for 250,000,000 Warrants;
- (c) listing of and quotation for 312,500,000 Bonus Shares; and
- (d) listing of and quotation for up to 250,000,000 new Shares to be issued arising from the exercise of the Warrants,

on the Main Market of Bursa Securities, subject to the conditions as set out in **Section 8** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSALS, AND TO SET OUT THE VIEW AND RECOMMENDATION OF OUR BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR COMPANY'S FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Details of the Proposed Bonus Issue of Shares

2.1.1 Basis and number of Bonus Shares to be issued

The Proposed Bonus Issue of Shares entails the issuance of 312,500,000 Bonus Shares on the basis of 1 Bonus Share for every 2 existing GDB Shares held by the Entitled Shareholders.

The basis of entitlement for the Proposed Bonus Issue of Shares was determined after taking into consideration, amongst others, the following:

- (a) the potential adjustments to the share price of GDB Shares arising from the Proposed Bonus Issue of Shares; and
- (b) the enlarged number of GDB Shares after the Proposed Bonus Issue of Shares.

As at the LPD, the issued share capital of our Company is RM62,564,078 comprising 625,000,000 GDB Shares.

The Entitlement Date will be determined and announced at a later date after all relevant approvals for the Proposals have been obtained. The Proposed Bonus Issue of Shares will be implemented in a single issuance and is not intended to be implemented in stages over a period of time. For avoidance of doubt, the Proposed Bonus Issue of Shares will be implemented concurrently with the Proposed Bonus Issue of Warrants.

In determining shareholders' entitlements to the Proposed Bonus Issue of Shares, fractional entitlements, if any, will be disregarded and dealt with in such manner as our Board may in its absolute discretion deem fit and expedient and in the best interest of our Company.

GDB's share price will be adjusted after the completion of the Proposed Bonus Issue of Shares. Pursuant to Paragraph 6.30(1A) of the Listing Requirements, a listed issuer must ensure that its share price adjusted for a bonus issue is not less than RM0.50 based on the daily VWAMP during the 3-month period before the date of application to Bursa Securities.

For illustration purposes, based on the 5-day VWAMP of GDB Shares up to and including the LPD as well as the lowest daily VWAMP of GDB Shares during the 3-month period before 13 April 2021, being the date of submission of the listing application to Bursa Securities for the Proposed Bonus Issue of Shares, the TEBP of GDB Shares are as follows:

	<u>Before the Proposed Bonus Issue of Shares</u> Market Price (RM)	<u>After the Proposed Bonus Issue of Shares</u> TEBP (RM)
5-day VWAMP up to and including the LPD	0.8177	0.5451
Lowest daily VWAMP for the 3-month period before 13 April 2021	0.7926	0.5284

Based on the above, the Proposed Bonus Issue of Shares is in compliance with Paragraph 6.30(1A) of the Listing Requirements.

2.1.2 No capitalisation of reserves

Under the Act, a bonus issue can be undertaken either:

- (i) by way of capitalisation of the retained earnings/accumulated profits of a company; or
- (ii) without capitalisation, where a company may issue and allot the bonus shares at nil consideration.

Our Board has resolved that the Bonus Shares will be issued as fully paid GDB Shares at nil consideration and without capitalisation from our Company's reserves. The Proposed Bonus Issue of Shares will increase the number of GDB Shares in issue but will not increase the value of the issued share capital of our Company.

2.1.3 Ranking of the Bonus Shares

The Bonus Shares shall, upon issuance and allotment, rank equally in all respects with the existing GDB Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Bonus Shares.

As GDB Shares are prescribed securities under Section 14(5) of the Securities Industry (Central Depositories) Act 1991, the Bonus Shares will be credited directly into the respective central depository system accounts of the Entitled Shareholders and no physical share certificates will be issued.

2.1.4 Listing of and quotation for the Bonus Shares

The approval of Bursa Securities for the listing of and quotation for the Bonus Shares was obtained on 21 April 2021, as set out in **Section 8** of this Circular.

2.2 Details of the Proposed Bonus Issue of Warrants

2.2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails the issuance of 250,000,000 Warrants on the basis of 2 Warrants for every 5 existing GDB Shares held by the Entitled Shareholders. The total number of Warrants to be issued is based on the issued share capital of our Company of RM62,564,078 comprising 625,000,000 GDB Shares as at the LPD.

The basis of entitlement for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:

- (a) the Warrants will be issued at no cost to the Entitled Shareholders;
- (b) the enlarged number of GDB Shares in issue upon exercise of the Warrants;
- (c) the dilutive effect on GDB's EPS upon exercise of the Warrants; and
- (d) compliance by GDB with Paragraph 6.50 of the Listing Requirements, where the total number of new GDB Shares arising from the exercise of the Warrants must not exceed 50% of our Company's total number of issued shares (excluding treasury shares and before the exercise of the Warrants) at all times.

Fractional entitlements of the Warrants under the Proposed Bonus Issue of Warrants, if any, will be disregarded and dealt with in such manner as our Board may in its absolute discretion deem fit and expedient and in the best interest of our Company.

The Entitlement Date will be determined and announced at a later date after all relevant approvals for the Proposals have been obtained. The Proposed Bonus Issue of Warrants will be implemented in a single issuance and is not intended to be implemented in stages over a period of time. For avoidance of doubt, the Proposed Bonus Issue of Warrants will be implemented concurrently with the Proposed Bonus Issue of Shares.

No reserves will be capitalised for the issuance of Warrants under the Proposed Bonus Issue of Warrants.

2.2.2 Basis of determining and justification for the exercise price of the Warrants

The Warrants will be issued at no cost to the Entitled Shareholders. The exercise price of the Warrants will be determined by our Board at a later date after all relevant approvals have been obtained. The exercise price will be determined after taking into consideration the following:

- (a) the historical price movement of GDB Shares;
- (b) the TEBP of GDB Shares; and
- (c) prevailing market conditions.

It is the intention of the Board that the exercise price for the Warrants shall be priced at no discount nor premium to the TEBP based on the 5-day VWAMP of GDB Shares up to and including the date prior to the price fixing date.

For illustration purposes in this Circular, the indicative exercise price of the Warrants is assumed to be RM0.54 (illustrative TEBP based on the 5-day VWAMP up to and including the LPD), which represents a slight discount of approximately 0.94% from the illustrative TEBP of RM0.5451.

2.2.3 Ranking of the Warrants and the new GDB Shares to be issued arising from the exercise of the Warrants

The Warrants shall rank equally in all respects with one another.

The new GDB Shares to be issued arising from the exercise of the Warrants shall, upon issuance and allotment, rank equally in all respects with the existing issued Shares except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of such new Shares.

2.2.4 Listing of and quotation for the Warrants and new GDB Shares to be issued arising from the exercise of the Warrants

The approval of Bursa Securities for the listing of and quotation for the Warrants and new GDB Shares to be issued arising from the exercise of the Warrants was obtained on 21 April 2021, as set out in **Section 8** of this Circular.

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2.2.5 Salient terms of the Warrants

The indicative salient terms of the Warrants are set out below:

Terms	Details
Issue size	: 250,000,000 Warrants.
Form	: The Warrants will be issued in registered form and constituted by a deed poll to be executed by the Company and as may be supplemented from time to time.
Tenure	: 5 years commencing from and inclusive of the date of issuance and allotment of the Warrants (" Issue Date ").
Exercise Rights	: Each Warrant entitles the registered Warrant holder to subscribe for 1 new GDB Share at the Exercise Price at any time during the Exercise Period, subject to the provisions of the Deed Poll.
Exercise Price	: The exercise price of the Warrants will be determined by the Board at a later date after all relevant approvals have been obtained.
Exercise Period	: The Warrants may be exercised at any time during the Tenure of the Warrants commencing and including the Issue Date and ending at 5.00 p.m. in Malaysia on the Expiry Date. Any Warrants which have not then been exercised will lapse and every Warrant not exercised by then will cease to be valid for any purpose.
Expiry Date	: The day immediately preceding the 5 th anniversary of the Issue Date (but if that day is not a market day, it shall be the immediate preceding market day).
Adjustment in the Exercise Price and/or the number of Warrants	: Subject to the provisions of the Deed Poll, the Exercise Price and/or the number of unexercised Warrants held by each Warrant holder shall be adjusted by the Board in consultation with an approved adviser appointed by the Company and certified by the auditors of the Company.
Status of the new GDB Shares to be issued arising from the exercise of the Warrants	: The new GDB Shares to be issued upon the exercise of the Warrants shall, upon allotment and issue, rank equally in all respects with the then existing issued GDB Shares, except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid in respect of which the entitlement date is prior to the date of allotment and issuance of the said Shares.
Rights of Warrant holders	: The Warrant holders are not entitled to any voting rights in any general meeting of the Company or to participate in any distribution and/or offer of further securities in the Company other than on winding up, compromise or arrangement of the Company as set out in the Deed Poll until and unless such Warrant holders are issued with new GDB Shares arising from their exercise of the Warrants.
Modification of rights of Warrant holders	: Save as otherwise provided in the Deed Poll, a special resolution of the Warrant holders is required to sanction any modification, alteration or abrogation in respect of the rights of the Warrant holders. Any such modification is, however, subject to the approval of Bursa Securities (if so required) and other relevant authorities.

Terms	Details
Modification of the Deed Poll	: Any modification to the terms and conditions of the Deed Poll may be effected only by a further deed poll, executed by the Company and expressed to be supplemental to the Deed Poll. Any of such modification shall however be subject to the approval of the Warrant holders by way of special resolution and the approval of Bursa Securities (if so required) and other relevant authorities.
Rights in the event of winding up, liquidation, compromise and / or arrangement	: Where a resolution has been passed by the Company for a members' voluntary winding-up or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies then: <p>(a) for the purpose of such a winding-up, compromise or scheme of arrangement to which the Warrant holders or some persons designated by them for such purposes by special resolution, shall be a party, the terms of such winding-up, compromise or scheme of arrangement shall be binding on all the Warrant holders; or</p> <p>(b) in any other case, every Warrant holder shall be entitled at any time within 6 weeks after the passing of such resolution or 6 weeks after the granting of the court order approving the compromise or arrangement, by irrevocable surrender of his Warrants and delivery to the Company of a duly completed exercise form together with payment of the relevant Exercise Price monies in the manner described in the Deed Poll, to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement, exercised the Exercise Rights represented by such Warrants, to the extent specified in the exercise form and be entitled to receive out of the assets of the Company (which would be available in liquidation) if he had on such date been a holder of the GDB Shares, to which he would have become entitled pursuant to such exercise; and the liquidator of the Company shall give effect to such election accordingly. Subject to the above, if the Company is wound up, all Exercise Rights which have not been exercised prior to the date of commencement of the winding up shall lapse and cease to be valid for any purpose.</p>
Transferability	: The Warrants shall be transferable in accordance with the provisions of the Deed Poll, subject to the rules of Bursa Malaysia Depository (Sdn Bhd) and the provisions of the Securities Industry (Central Depositories) Act 1991.
Board Lot	: The Warrants are tradable upon listing in board lot of 100 units carrying the right to subscribe for 100 new GDB Shares at any time during the Exercise Period or such other denomination as may be prescribed by Bursa Securities.
Listing	: The Warrants will be listed and quoted on the Main Market of Bursa Securities.
Governing law	: The Warrants and the Deed Poll shall be governed by the applicable laws and regulations of Malaysia.

The terms of the Warrants as constituted by the Deed Poll shall be in compliance with Paragraph 6.54(3) of the Listing Requirements.

3. USE OF PROCEEDS

The Proposed Bonus Issue of Shares will not raise any funds for our Company while the Proposed Bonus Issue of Warrants is not expected to raise immediate funds for our Company as the Warrants will be issued at no cost to the Entitled Shareholders.

The actual gross proceeds to be raised from the exercise of the Warrants (if any) are dependent on the number of Warrants exercised during the tenure of the Warrants and the exercise price of the Warrants. As such, the exact time frame and manner in which the said proceeds will be utilised cannot be determined at this juncture.

For illustration purposes, the gross proceeds to be raised upon full exercise of the Warrants based on the indicative exercise price of RM0.54 is RM135 million. Such proceeds, if raised, will be used as additional working capital for our Group.

Pending the use of proceeds for the above purpose, such proceeds may be placed in deposits with financial institutions.

3.1 Details of equity fund-raising exercises undertaken in the past 12 months

The Company has not undertaken any equity fund-raising exercise in the past 12 months before the date of this announcement.

4. RATIONALE FOR THE PROPOSALS

4.1 Proposed Bonus Issue of Shares

After taking into consideration other options, our Board is of the view that the Proposed Bonus Issue of Shares is an appropriate avenue for our Company to reward our existing shareholders as the Proposed Bonus Issue of Shares:

- (i) will enable our existing shareholders to have a greater participation in the equity of our Company in terms of the increased number of GDB Shares held, whilst maintaining their percentage of equity interest without incurring any cost; and
- (ii) is expected to further enhance the trading liquidity of GDB Shares on Bursa Securities at a lower adjusted trading price and increased number of issued Shares.

4.2 Proposed Bonus Issue of Warrants

After taking into consideration other options, our Board is of the view that the Proposed Bonus Issue of Warrants is an appropriate avenue for our Company to reward our existing shareholders as the Proposed Bonus Issue of Warrants:

- (i) will enable our existing shareholders to participate in convertible securities of our Company which are tradable on Bursa Securities without incurring any cost;
- (ii) will provide our existing shareholders with an opportunity to increase their equity participation in our Company through the exercise of Warrants at a pre-determined price during the tenure of the Warrants;
- (iii) will allow our existing shareholders to benefit from any potential capital appreciation of the Warrants; and
- (iv) will help to strengthen our Company's capital base and shareholders' funds as well as potentially provide additional working capital for our Group, as and when the Warrants are exercised.

5. OUTLOOK AND PROSPECTS

5.1 Overview and outlook of Malaysian economy

The Malaysia economy registered a negative growth of 3.4% in the fourth quarter (4Q) 2020 (3Q 2020: -2.6%), largely attributable to the imposition of the Conditional Movement Control Order (CMCO) on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth. In terms of sectoral performance, all economic sectors, except manufacturing, registered negative growth in the fourth quarter.

Domestic demand recorded a decline of 4.4% in the 4Q 2020 (3Q 2020: -3.3%), mainly due to the subdued private consumption and public investment activities. Private consumption contracted by 3.4% (3Q 2020: -2.1%). Household spending was subdued amid continued weaknesses in income and employment conditions during the quarter. Spending was also affected by tighter movement restrictions in selected states. Nevertheless, the decline in physical spending was partly mitigated by the continued acceleration in online spending. During the quarter, consumer expenditure also remained supported by various stimulus measures including the Employees Provident Fund i-Lestari withdrawals, the continued support to affected borrowers under the Targeted Repayment Assistance and lower passenger car sales tax.

In line with earlier assessments, the average headline inflation was at -1.2% in 2020 due mainly to the substantially lower global oil prices. For 2021, headline inflation is projected to average higher, primarily due to higher global oil prices. Underlying inflation is expected to remain subdued amid continued spare capacity in the economy. The outlook, however, is subject to global oil and commodity price developments.

Despite the slightly more negative headline inflation, broad-based downward pressures on prices were contained during the quarter, as reflected by the limited share of Consumer Price Index items recording price declines (4Q 2020 average: 19%; 2010-2019 average: 21%).

(Source: Economic and Financial Developments in the Malaysian economy in the 4th Quarter of 2020, Bank Negara Malaysia)

5.2 Outlook of the Malaysian construction sector

The construction sector registered a larger contraction of 13.9% in 4Q 2020 (3Q 2020: -12.4%). Labour shortages, site shutdowns due to COVID-19 outbreaks and interruptions in progress of selected work packages have affected growth, particularly in the civil engineering and residential sub sectors.

(Source: Economic and Financial Developments in the Malaysian economy in the 4th Quarter of 2020, Bank Negara Malaysia)

The value of construction work done in the 4Q 2020 contracted by 14.2% (3Q 2020: -13.1%) year-on-year basis, amounting to RM31.7 billion (3Q 2020: RM31.4 billion). The special trades activities sub-sector soared higher at 29.3% in the 4Q 2020. The other three sub-sectors namely civil engineering, residential buildings and non-residential buildings declined by 25.0%, 10.9% and 6.3%, respectively.

However, the civil engineering sub-sector remained dominant in the value of construction work done for 21 consecutive quarters since 4Q 2015 with 39.6% share. This is followed by non-residential buildings, residential buildings and special trades activities with 27.5%, 25.4% and 7.4% share, respectively.

The private sector continued to impel the construction activity with 55.7% share or RM17.7 billion of the total value of construction work done, as compared to the public sector with 44.3% share or RM14.0 billion of the total value of construction work done.

In 2020, the value of construction work done contracted by 19.4% to RM117.9 billion as compared to RM146.4 billion in 2019. All sub-sectors recorded a decline in the value of construction work done, where the civil engineering, residential buildings, non-residential buildings and special trades activities decreased by 24.0%, 17.2%, 17.1% and 2.1%, respectively.

(Source: Quarterly Construction Statistics Fourth Quarter 2020 published on 10 February 2021, Department of Statistics Malaysia)

5.3 Prospects of the Group

Despite the contraction of the construction sector in 2020 due to the unprecedented COVID-19 pandemic, the Ministry of Finance said in its Economic Outlook 2021 report, that looking ahead at 2021, the construction sector is expected to grow the most at 13.9%, followed by the services and manufacturing industries. The sector is expected to rebound based on the implementation and revival of major infrastructure projects and the Government maintaining its commitment to deliver more affordable housing projects coupled with growth in civil engineering sector.

As at 31 December 2020, the Group's order book stood at RM2.06 billion which is expected to contribute until the third quarter of the FYE 31 December 2023. The Group had secured its single largest contract for the 8 Conlay project in the 4Q 2020 amidst the COVID-19 pandemic which represents the Group's highest contract wins since the commencement of its business operation.

In addition, the Group opines that the rolling out of vaccines under the national COVID-19 immunization program is expected to help boost market sentiments although economic recovery is expected to be gradual.

As at the LPD, the Group's on-going projects mainly comprises of construction works for Perla Ara Sentral in Ara Damansara, Park Regent in Desa ParkCity, Hap Seng Star Mercedes-Benz Autohaus in Setia Alam, Hyatt Centric Hotel in Kota Kinabalu and 8 Conlay in Kuala Lumpur.

Premised on the above, the Board is of the view that the Group's financial performance moving forward is expected to be encouraging.

(Source: The Management of GDB)

6. EFFECTS OF THE PROPOSALS

For illustration purposes, the pro forma effects of the Proposals on GDB's issued share capital, NA, NA per share, gearing, earnings, EPS as well as the substantial shareholders' shareholdings are set out below:

6.1 Issued share capital

The pro forma effects of the Proposals on the issued share capital of GDB are as follows:

	No. of GDB Shares	RM
Issued share capital as at the LPD	625,000,000	62,564,078
To be issued pursuant to the Proposed Bonus Issue of Shares	312,500,000	-
	937,500,000	62,564,078
To be issued assuming full exercise of Warrants	⁽¹⁾ 250,000,000	⁽¹⁾ 135,000,000
Enlarged issued share capital	1,187,500,000	197,564,078

Note:

- (1) Assuming that all 250,000,000 Warrants are exercised into new GDB Shares at the indicative exercise price of RM0.54 per Warrant.

6.2 NA, NA per share and gearing

Based on the latest audited consolidated financial statements of GDB as at 31 December 2020, the pro forma effects of the Proposals on GDB's consolidated NA, NA per Share and gearing are as follows:

	(I)	(II)
	Audited as at 31 December 2020	After the Proposed Bonus Issue of Shares
	RM'000	RM'000
Share capital	62,564	62,564
Retained profits	71,377	⁽¹⁾ 71,197
Equity attributable to the owners of the Company / NA	133,941	133,761
	After I and assuming full exercise of Warrants⁽²⁾	RM'000
		197,564
		71,197
		268,761
No. of GDB Shares ('000)	625,000	937,500
NA per share (RM)	0.21	0.14
		1,187,500
		0.23

Notes:

- (1) After deducting estimated expenses for the Proposals of RM180,000.
- (2) Assuming that all 250,000,000 Warrants are exercised into new GDB Shares at the indicative exercise price of RM0.54.

There will be no effect to the gearing of the Company as GDB has no outstanding borrowings.

6.3 Earnings and EPS

The Proposals are not expected to have any material effect on the earnings of GDB Group for the financial year ending 31 December 2021.

However, the issuance of new GDB Shares arising from the Bonus Shares and exercise of Warrants will result in a dilution in GDB Group's EPS due to the increase in the number of GDB Shares in issue.

6.4 Convertible securities

As at the LPD, GDB does not have any convertible securities.

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6.5 Substantial shareholders' shareholdings

The Proposed Bonus Issue of Shares will not have any effect on the substantial shareholders' percentage of shareholdings in our Company as the Bonus Shares will be allotted on a pro rata basis to all Entitled Shareholders. However, the number of GDB Shares held by the substantial shareholders will increase proportionately pursuant to the Proposed Bonus Issue of Shares.

The Proposed Bonus Issue of Warrants will not have any immediate effect on the substantial shareholders' shareholdings in our Company until such time when the Warrants are exercised as the Warrants will be allotted on a pro rata basis to all Entitled Shareholders. The number of GDB Shares held by each substantial shareholder will increase proportionately assuming full exercise of the Warrants.

For illustration purposes, the pro forma effects of the Proposals on the substantial shareholders' shareholdings are as follows:

(I)									
Substantial shareholders	As at the LPD				After Proposed Bonus Issue of Shares				
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		
	No. of GDB Shares	%(¹)	No. of GDB Shares	%(¹)	No. of GDB Shares	%(²)	No. of GDB Shares	%(²)	
CHC Holdings Sdn Bhd	305,900,000	48.94	-	-	458,850,000	48.94	-	-	
Cheah Ham Cheia	-	-	^305,900,000	48.94	-	-	^458,850,000	48.94	
Alexander Lo Tzone Leong	131,692,900	21.07	-	-	197,539,350	21.07	-	-	

(II)									
Substantial shareholders	After I and full exercise of Warrants								
	<-----Direct----->		<-----Indirect----->						
	No. of GDB Shares	%(³)	No. of GDB Shares	%(³)					
CHC Holdings Sdn Bhd	581,210,000	48.94	-	-					
Cheah Ham Cheia	-	-	^581,210,000	48.94					
Alexander Lo Tzone Leong	250,216,510	21.07	-	-					

Notes:

- (1) Based on GDB's issued share capital of 625,000,000 GDB Shares as at the LPD.
 - (2) Based on GDB's enlarged issued share capital of 937,500,000 GDB Shares after the Proposed Bonus Issue of Shares.
 - (3) Based on GDB's enlarged issued share capital of 1,187,500,000 GDB Shares assuming all 250,000,000 Warrants are exercised into new GDB Shares.
- ^ Deemed interested pursuant to Section 8 of the Act through the shares held by CHC Holdings Sdn Bhd in the Company.

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7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of GDB Shares as traded on Bursa Securities for the past 12 months up to April 2021 are as follows:

	High (RM)	Low (RM)
<u>2020</u>		
May	0.650	0.580
June	0.625	0.500
July	0.640	0.550
August	0.615	0.540
September	0.695	0.550
October	0.755	0.590
November	0.850	0.600
December	1.020	0.815
<u>2021</u>		
January	1.080	0.735
February	0.975	0.845
March	0.970	0.820
April	0.955	0.785
Last transacted market price of GDB Shares as at the LTD		0.820
Last transacted market price of GDB Shares as at the LPD		0.835

(Source: Bloomberg)

8. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals are conditional upon the following approvals being obtained:

- (i) Bursa Securities' for the following:
 - (a) admission of the Warrants to the Official List;
 - (b) listing of and quotation for 250,000,000 Warrants;
 - (c) listing of and quotation for 312,500,000 Bonus Shares; and
 - (d) listing of and quotation for up to 250,000,000 new Shares to be issued arising from the exercise of the Warrants,

on the Main Market of Bursa Securities.

The approval-in-principle has been obtained vide Bursa Securities' letter dated 21 April 2021 which is subject to the following conditions:

Conditions	Status of compliance
(a) GDB and AIBB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals;	To be complied
(b) GDB and AIBB to inform Bursa Securities upon the completion of the Proposals;	To be complied

Conditions	Status of compliance
(c) GDB and AIBB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;	To be complied
(d) Written confirmation by GDB and AIBB that the terms of the Warrants are in compliance with Paragraph 6.54(3) of the Listing Requirements;	To be complied
(e) GDB and AIBB are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a)&(b) and 6.35(4) of the Listing Requirements, in relation to the Proposed Bonus Issue of Shares;	To be complied
(f) GDB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of new ordinary shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of the listing fees payable; and	To be complied
(g) Incorporation of Bursa Securities' comments in respect of the draft circular to shareholders.	Complied

- (ii) the shareholders of GDB for the Proposals at the forthcoming EGM; and
- (iii) any other relevant authorities and/or third parties, if required.

The Proposed Bonus Issue of Warrants is conditional upon the Proposed Bonus Issue of Shares but not vice versa. The Proposals are not conditional or inter-conditional upon any other proposals undertaken or to be undertaken by the Company.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders, chief executive and/or persons connected with them have any interest, either direct or indirect, in the Proposals, save for their respective entitlements as our shareholders under the Proposals, the rights of which are also available to all other existing shareholders of GDB as at the Entitlement Date.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposals, including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.

Accordingly, our Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposals are expected to be completed by the third (3rd) quarter of calendar year 2021. The tentative timeline for the implementation of the Proposals is as follows:

Event	Tentative timeline
EGM	9 June 2021
Announcement of the Entitlement Date for the Proposals	Early June 2021
Listing of and quotation for the Bonus Shares	End June 2021
Admission to the Official List and listing of and quotation for the Warrants	Early July 2021

12. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, our Board confirms that as at the date of this Circular, there are no other outstanding corporate exercises that have been announced but pending completion by our Company.

13. EGM

The EGM will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, 47410 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 9 June 2021 at 11.30 a.m., or immediately following the conclusion or adjournment of the Company's 8th AGM, which will be held at the same venue and on the same day at 10.30 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the resolutions as set out in the Notice of EGM enclosed in this Circular, with or without modifications, to give effect to the Proposals.

If you are unable to attend and vote at the Company's EGM, you are requested to complete, sign and return the enclosed Proxy Form in accordance with the instructions printed therein as soon as possible, so as to arrive at the office of the Company's Share Registrar at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not later than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

14. FURTHER INFORMATION

Shareholders are advised to refer to the appendix set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
GDB HOLDINGS BERHAD

CHEAH HAM CHEIA
Group Managing Director

APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

AIBB, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name in this Circular and all references thereto in the form and context in which it appears in this Circular.

AIBB is also not aware of any conflict of interest which exists or is likely to exist in relation to AIBB's capacity to act as the Principal Adviser to the Company for the Proposals.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant or otherwise, and our Board is not aware of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which may materially or adversely affect the position or business of our Group.

4. MATERIAL COMMITMENT

As at the LPD, our Board is not aware of any material commitments contracted or known to be contracted by our Group, which may have a material impact on the financial position of our Group.

5. MATERIAL CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, our Board is not aware of any material contingent liabilities incurred by us which may have a substantial impact on the financial position of our Group:

	RM'000
Performance bond and tender bond guarantees extended by subsidiaries to third parties	76,374

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at our registered office at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (except on public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) Our constitution;
- (ii) Our audited consolidated financial statements for the FYE 31 December 2018, FYE 31 December 2019 and FYE 31 December 2020;
- (iii) The letter of consent and declaration on conflict of interest referred to in Section 2 of this appendix; and
- (iv) The draft Deed Poll.



GDB HOLDINGS BERHAD

Registration No. 201301006623 (1036466-U)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of GDB Holdings Berhad (“**GDB**” or “**Company**”) will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 9 June 2021 at 11.30 a.m., or immediately following the conclusion or adjournment of the Company’s Eighth Annual General Meeting, which will be held at the same venue and on the same day at 10.30 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF 312,500,000 NEW ORDINARY SHARES IN GDB (“GDB SHARE(S)” OR “SHARES”) (“BONUS SHARE(S)”) ON THE BASIS OF 1 BONUS SHARE FOR EVERY 2 EXISTING GDB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”)(“PROPOSED BONUS ISSUE OF SHARES”)

“THAT subject to the approvals of all relevant authorities and/or parties (where applicable) being obtained for the Proposed Bonus Issue of Shares, authority be and is hereby given to the Board of Directors of the Company (“**Board**”) to issue and allot 312,500,000 Bonus Shares in the share capital of the Company credited as fully paid to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business at 5:00 p.m. on the Entitlement Date to be determined and announced by the Board at a later date on the basis of 1 Bonus Share for every 2 existing GDB Shares held;

THAT subject to the approvals of all relevant authorities and/or parties (where applicable) in respect of the Proposed Bonus Issue of Shares, authority be and is hereby given to the Board to implement any other adjustments as a result of the Proposed Bonus Issue of Shares;

THAT the Board be and is hereby authorised to deal with any fractional entitlements from the Proposed Bonus Issue of Shares, if any, in such a manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT the Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing GDB Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid to the shareholders, the entitlement date of which precedes the date of allotment and issuance of the Bonus Shares;

AND THAT the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue of Shares with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities and to take all steps and do all such acts and matters in the manner as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Shares.”

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF 250,000,000 WARRANTS (“WARRANT(S)”) ON THE BASIS OF 2 WARRANTS FOR EVERY 5 EXISTING GDB SHARES HELD ON THE SAME ENTITLEMENT DATE AS THE PROPOSED BONUS ISSUE OF SHARES (“PROPOSED BONUS ISSUE OF WARRANTS”)

"THAT subject to the approvals of all relevant authorities or parties (where required) being obtained for the Proposed Bonus Issue of Warrants, authority be and is hereby given to the Board to issue 250,000,000 Warrants to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business at 5:00 p.m. on the Entitlement Date to be determined and announced by the Board at a later date on the basis of 2 Warrants for every 5 existing GDB Shares held;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of new GDB Shares arising from the exercise of the Warrants by the Warrant holders, credited as fully paid, in accordance with the provisions of a deed poll to be executed (“**Deed Poll**”);

THAT the new GDB Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issue, rank equally in all respects with the then existing GDB Shares, except that such new GDB Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared for which the entitlement date for the said distribution precedes the date of allotment and issue of such new GDB Shares;

THAT the Board be and is hereby authorised to deal with any fractional entitlements from the Proposed Bonus Issue of Warrants, if any, in such a manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT the Warrants be constituted under the Deed Poll and the Board be and is hereby authorised to enter into and execute the Deed Poll with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities or deemed necessary by the Board, and subject to all provisions and adjustments contained in the Deed Poll, to assent to any modifications and/or amendment to the exercise price, exercise period and/or number of Warrants as may be required or permitted to be revised as consequence of any adjustments under the provisions of the Deed Poll with full power to implement and give effects to the terms and conditions of the Deed Poll, and to take all steps as the Board deems fit or expedient in order to implement, finalise and give full effect to the Deed Poll;

AND THAT the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue of Warrants with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities and to take all steps and do all such acts and matters in the manner as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants.”

By Order of the Board
GDB HOLDINGS BERHAD

TEA SOR HUA (MACS 01324) (SSM PC No. 201908001272)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
5 May 2021

Notes:

- a) *A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
- b) *A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same right as the member to speak and vote at the Meeting.*
- c) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.*
- d) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- e) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- f) *For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 31 May 2021. Only members whose names appear in the General Meeting Record of Depositors as at 31 May 2021 shall be regarded as members and entitled to attend, speak and vote at the Meeting.*
- g) *To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Share Registrar situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote.*
- h) *All the resolutions set out in this Notice of Meeting will be put to vote by poll.*
- i) *The members are advised to refer to the Administrative Notes for the EGM on the registration process for the Meeting. The Administrative Notes had taken into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Malaysia which affects the holding or conduct of general meetings. The Company will closely monitor the situation and reserve the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the Meeting. Kindly check Bursa Malaysia Securities Berhad's and the Company's website at <https://www.gdbhb.com.my/> for the latest updates on the status of the Meeting.*



GDB HOLDINGS BERHAD

Registration No. 201301006623 (1036466-U)
(Incorporated in Malaysia)

**ADMINISTRATIVE NOTES FOR THE EXTRAORDINARY GENERAL MEETING (“EGM”
OR “MEETING”) OF GDB HOLDINGS BERHAD (“GDB” OR “COMPANY”)**

Day & Date	:	Wednesday, 9 June 2021
Time	:	11:30 a.m. or immediately following the conclusion or adjournment of the Company’s Eighth Annual General Meeting (“8th AGM”), whichever is later
Venue	:	Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, 47410 Petaling Jaya, Selangor Darul Ehsan

In the interest of the public health including the well-being of our members, members must cooperate with the following precautionary measures put in place by the Company should members or proxies wish to attend the Meeting in person. Your safety and health are the Company’s top priority.

- (a) A member is required to register ahead of the Meeting to allow the Company to make the necessary arrangements in relation to the Meeting, i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants by providing the below details by email to enquiry@gdbhb.com.my:-
- i) Full name;
 - ii) Identity Card or Passport Number;
 - iii) Contact number (optional – for better co-ordination); and
 - iv) CDS account number

The date of Record of Depositors for the EGM is 31 May 2021. As such, only members whose name appears in the Record of Depositors of the Company as at 31 May 2021 shall be entitled to attend the EGM and to participate, speak and vote thereat.

- (b) A health screening counter will be set up for the purpose of health screening and body temperature will be taken for all persons before entering the Meeting venue. A member or proxy who has temperature of 37.5°C or higher or exhibits flu-like symptoms will not be permitted to attend the Meeting.
- (c) Members are encouraged to appoint the Chairman of the Meeting to act as proxy to attend and vote at the Meeting on their behalf by submitting the proxy form with predetermined voting instruction.
- (d) Members or proxies must sanitise their hands and to wear a face mask throughout the Meeting if they are attending the Meeting in person. Please note that no face mask will be provided at the Meeting venue.
- (e) Members or proxies are advised to observe/maintain social distancing of at least 1 meter from each other throughout the Meeting.
- (f) Members or proxies are advised to arrive early at the Meeting venue given that the above-mentioned precautionary measures which may cause delay in the registration process.
- (g) **NO door gift** will be provided to the members/proxies.

(h) The Company will closely monitor the situation and reserve the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the Meeting.

(i) **Recording/Photography**

By participating in this EGM, you agree that no part of the EGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electrical, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of the Meeting at short notice. Kindly check Bursa Malaysia Securities Berhad's and Company's website at <https://www.gdbhb.com.my/> for the latest updates on the status of the Meeting.

ENQUIRY

If you have any questions regarding the Meeting, please contact the following persons during office hours on Monday to Friday from 9.00 a.m. to 5.30 p.m. (except public holidays) prior to the Meeting:-

For Registration matters:	For Proxy Form matters:
Name : Julie Tan Telephone No. : 603-5103 8162 (Ext. 137) Email : Julie.tan@gdbsb.com	Name : Amira Natasha or Mohamed Sophiee Telephone No. : 603-7890 4720 or 603-7890 4716 Helpdesk No.: : 603-7890 4700 Fax No. : 603-7890 4670 Email : Amira.Natasha@boardroomlimited.com mohamed.sophiee@boardroomlimited.com bsr.helpdesk@boardroomlimited.com



GDB HOLDINGS BERHAD
 Registration No. 201301006623 (1036466-U)
 (Incorporated in Malaysia)

PROXY FORM

CDS account number of holder
Number of shares held

I/We* _____ NRIC/Company No.* _____
 (FULL NAME IN BLOCK LETTERS)
 of _____
 (Address)

being a member of **GDB HOLDINGS BERHAD** (“the Company”), hereby appoint

_____ of _____
 (FULL NAME IN BLOCK LETTERS & NRIC NO.) (Address)

or failing him/her* _____
 (FULL NAME IN BLOCK LETTERS & NRIC NO.)

of _____
 (Address)

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting of the Company (“EGM” or “Meeting”) to be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, Off Jalan Tropicana Utama, 47410 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 9 June 2021 at 11.30 a.m. or immediately following the conclusion or adjournment of the Company’s Eighth Annual General Meeting, which will be held at the same venue and on the same day at 10.30 a.m., whichever is later. My/Our proxy/proxies shall vote as indicated below:

RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1 Proposed Bonus Issue of Shares		
Ordinary Resolution 2 Proposed Bonus Issue of Warrants		

Please indicate with a “X” in the appropriate space how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy will vote as he or she thinks fit, or, at his or her discretion, abstain from voting.

Signature / Common Seal of Member _____

Date : _____
 Contact No. : _____

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:		
	<u>No. of shares</u>	<u>Percentage</u>
Proxy 1		%
Proxy 2		%
Total		<u>100%</u>

* Delete whichever not applicable.



Notes:

- a) *A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
- b) *A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same right as the member to speak and vote at the Meeting.*
- c) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney duly authorised.*
- d) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- e) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- f) *For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 31 May 2021. Only members whose names appear in the General Meeting Record of Depositors as at 31 May 2021 shall be regarded as members and entitled to attend, speak and vote at the Meeting.*
- g) *To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Share Registrar situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote.*
- h) *All the resolutions set out in this Notice of Meeting will be put to vote by poll.*
- i) *The members are advised to refer to the Administrative Notes for the EGM on the registration process for the Meeting. The Administrative Notes had taken into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Malaysia which affects the holding or conduct of general meetings. The Company will closely monitor the situation and reserve the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the Meeting. Kindly check Bursa Malaysia Securities Berhad's and the Company's website at <https://www.gdbhb.com.my/> for the latest updates on the status of the Meeting.*

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar
GDB HOLDINGS BERHAD
c/o BOARDROOM SHARE REGISTRARS SDN BHD
11th Floor, Menara Symphony
No. 5, Jalan Prof, Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

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