



GDB HOLDINGS BERHAD

201301006623 (1036466-U)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE NINTH ANNUAL GENERAL MEETING (“9TH AGM”) OF GDB HOLDINGS BERHAD (“GDB” OR “THE COMPANY”) HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, OFF JALAN TROPICANA UTAMA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 9 JUNE 2022 AT 10:30 A.M.

Q1. What is the value of the current order book and tender book?

As of 31 March 2022, the order book of the Group stood at approximately RM1.37 billion, which provides earnings visibility until the third quarter of the financial year ending 31 December 2024.

Whilst the tenders submitted to-date is approximately RM1.50 billion. The Group is currently preparing for a few tender submissions in June and July 2022 which value worth approximately RM1.70 billion.

Q2. In view of the spike in construction costs, would the increased costs be passed on to its customers?

Given that all of the secured projects of the Group are mainly from the private sector, the increase of any cost will be absorbed by the engaged contractors.

Q3. Whether there is any delay or expected delay in the completion of the on-going projects?

The delay caused by pandemic and/or other relevant delay events which claim for extension of time (“EOT”) have mostly been granted/approved by clients with revised completion dates, and together with the anticipated EOTs for relevant on-going delay events for some of the on-going projects, the Management does not foresee any delay in the completion of the current on-going projects.

Q4. Does the Company incur any extra cost to complete its projects due to the COVID-19 pandemic?

The Company is not allowed to claim for any extra expenses incurred due to COVID-19 pandemic. Hence, the project costs will increase and will affect the profit margin of the project.

Q5. What is the impact of the increase in costs on the profit margin of the Company? What are the actions taken by the Management to mitigate such impact?

The increase in the material and labour costs with a rough estimate impact on overall profit margin by 3% to 5%, depending on the stages of construction of each project. To mitigate the increased costs for the current projects, the Management is closely monitoring and controlling amount of wastages at project sites. In addition, the Management also proposes alternative materials/resources with lower cost to the clients for their consideration.

The margin for future projects will not have much impact as the tender price will be based on current material costs and allow some buffer to cater for any further increase in cost.



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Q6. Is the Company currently facing any shortage of manpower?

Yes, most companies are facing labour issues. The Management has applied for additional workers to cater for the need of the current projects. However, this application is expected to take some time. To address this issue and also to mitigate the delay to our project progress, the Management has engaged/engaging more sub-contractors to cover on area of jobs where labour shortages are encountered.