

Press Release

For Immediate Distribution

BINTAI KINDEN SECURES GAME CHANGING CONDITIONAL RELIEF INDULGENCE AGREEMENT WITH MBSB BANK

Conditional Relief Indulgence Paves Way for Financial Recovery and Legal Resolution for the Company

PETALING JAYA, 29 DECEMBER 2023 – **Bintai Kinden Corporation Berhad** ("BKCB" or the "Company"; Bursa: BINTAI, 6998), a mechanical and electrical ("M&E") engineering services specialist, is pleased to announce a significant financial agreement with MBSB Bank Berhad ("MBSB" or "the Bank"). The agreement entails a **Conditional Relief Indulgence** ("CRI") for Optimal Property Management Sdn. Bhd. ("OPMSB"), a 100% subsidiary of BKCB. This CRI is a break-through development in BKCB's journey towards financial stability and legal clarity.

Under the salient terms of the CRI, OPMSB has repaid RM3.0 million to MBSB today, and will receive a six (6) months indulgence relief period with RM 500,000 monthly loan repayment. More critically is the withdrawal of legal suit by the Bank against OPMSB and the Company, as well as OPMSB and the Company to withdraw their counterclaim against the Bank, with liberty to file afresh and no order as to costs by 10 January 2024. Effectively, post 10 January 2024, there will be no more legal suit against BKCB Group by any of its current banking partners. This new-found legal clarity is a vital step in solidifying BKCB Group's financial base and allows for a more focused approach towards revitalising the company's business sustainably.

Datuk Tay Chor Han, Managing Director cum CEO of BKCB, expressed his gratitude, "We deeply appreciate the confidence MBSB Bank has shown to me and my new management team as well as the direction we are taking at Bintai Kinden Corporation Berhad. By agreeing to the terms of the Conditional Relief Indulgence dated 28 December 2023, we look forward to the withdrawal of MBSB's legal suit against both BKCB and our fully-owned subsidiary, Optimal Property Management Sdn Bhd (OPMSB) by 10 January 2024. This is a major break-through for BKCB Group as it means post this date, there will be no more legal suit against BKCB Group by any of its current banking partners.

This CRI definitely invigorated my team and I with a renewed sense of optimism. The BKCB Group has been actively developing existing businesses and are now even more energized to pursue new business opportunities with the support of our current and potential new bankers.

The 6-months indulgence period granted by MBSB allows both MBSB and BKCB Group time to deepen our rapport as well as to deal with OPM's sole debtor which is Kolej Teknologi Islam Melaka Berhad (KTIMB). The debtor is a 100% state owned entity, limited by the State of Melaka guarantee. Despite OPM performing its obligations under the Concession Agreement awarded by KTIMB, the latter has been an extremely poor paymaster of its overdue debts, which had placed an extreme financial strain on the BKCB Group's financial

resources. The poor repayment of overdue debts from KTIMB had caused a default in loan repayment to MBSB. It was the sole reason MBSB sued BKCB group in the first place and resulted in BKCB group being classified as a PN 17 entity on 28 March 2023. KTIMB has continued to default on its obligations and the arrears amount to RM58.6 million as of December 2023.

This Conditional Relief Indulgence is a cornerstone in BKCB's strategy to navigate out of the Practice Note 17 (PN17) classification. The management team intend to use the next 6 months to further build our track record with MBSB, to get to know us better on the business and personal fronts. We remain hopeful come July 2024, an amicable longer term solution can be reached with MBSB."

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ABOUT BINTAI KINDEN CORPORATION BERHAD

Bintai Kinden Corporation Berhad ("Bintai Kinden" or the "Company") is a multidisciplinary building and industrial service engineering outfit founded in 1973. The Company has designed, installed and commissioned systems that include the full range of engineering services for commercial buildings to industrial complexes. Through its subsidiary, Johnson Medical International Sdn Bhd, the Company has diversified into the provision to healthcare solutions and medical support systems. Headquartered in Malaysia, BKCB has worked on projects in Southeast Asia, China and the Gulf region of the Middle East.

For more information, visit bintai.com.my.

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