

BINTAI KINDEN CORPORATION BERHAD

Company No: 199401005191 (290870P)

**Unaudited Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income
For The First Quarter And Financial Period Ended 30 June 2023**

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER ENDED	
		30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Revenue		10,160	30,884	10,160	30,884
Cost of sales		(6,426)	(25,804)	(6,426)	(25,804)
Gross profit		<u>3,734</u>	<u>5,080</u>	<u>3,734</u>	<u>5,080</u>
Other income		48	2,641	48	2,641
Operating expenses		(4,528)	(4,477)	(4,528)	(4,477)
Operating (loss)/profit		<u>(746)</u>	<u>3,244</u>	<u>(746)</u>	<u>3,244</u>
Interest income		48	10	48	10
Finance costs		(2,338)	(2,286)	(2,338)	(2,286)
Net finance costs		<u>(2,290)</u>	<u>(2,276)</u>	<u>(2,290)</u>	<u>(2,276)</u>
(Loss)/Profit before taxation		<u>(3,036)</u>	<u>968</u>	<u>(3,036)</u>	<u>968</u>
Taxation	B6	-	-	-	-
(Loss)/Profit for the period		<u>(3,036)</u>	<u>968</u>	<u>(3,036)</u>	<u>968</u>
Other comprehensive income					
<u>Items that will not be reclassified subsequently to profit or loss</u>					
Changes in fair value of equity investments measured at fair value through other comprehensive income		-	250	-	250
Other comprehensive income for the period		<u>-</u>	<u>250</u>	<u>-</u>	<u>250</u>
Total comprehensive (loss)/income for the period		<u>(3,036)</u>	<u>1,218</u>	<u>(3,036)</u>	<u>1,218</u>
(Loss)/Profit attributable to:-					
Owners of the Company		(2,735)	1,119	(2,735)	1,119
Non-controlling interests		(301)	(151)	(301)	(151)
(Loss)/Profit for the period		<u>(3,036)</u>	<u>968</u>	<u>(3,036)</u>	<u>968</u>
Total comprehensive (loss)/income attributable to:-					
Owners of the Company		(2,735)	1,369	(2,735)	1,369
Non-controlling interests		(301)	(151)	(301)	(151)
Total comprehensive (loss)/income for the period		<u>(3,036)</u>	<u>1,218</u>	<u>(3,036)</u>	<u>1,218</u>
(Loss)/Earnings per share attributable to owners of the Company (sen):-					
Basic	B13	<u>(0.31)</u>	<u>0.15</u>	<u>(0.31)</u>	<u>0.15</u>
Diluted	B13	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

This unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2023

BINTAI KINDEN CORPORATION BERHAD

Company No: 199401005191 (290870P)

**Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2023**

	Note	Unaudited As at 30.06.2023 RM'000	Audited As at 31.03.2023 RM'000
Assets			
Property, plant and equipment		918	996
Investment properties		5,915	5,915
Intangible assets		15,050	15,125
Other investments		2,774	8,843
Concession receivables		115,117	114,981
Right-of-use assets		1,097	1,301
Total Non-Current Assets		140,871	147,161
Concession receivables		1,673	1,661
Inventories		2,036	1,713
Contract assets		7,338	7,432
Trade and other receivables		92,569	88,732
Tax recoverable		305	305
Other investments		1,997	425
Deposits, cash and bank balances		8,679	5,251
Total Current Assets		114,597	105,519
Total Assets		255,468	252,680
Equity			
Share capital		215,316	212,211
Reserves		(121,451)	(118,716)
Equity attributable to owners of the Company		93,865	93,495
Non-controlling interests		(32,738)	(32,437)
Total Equity		61,127	61,058
Liabilities			
Bank borrowings	B8	491	521
Lease liabilities		383	549
Deferred tax liabilities		2,918	2,918
Redeemable convertible preference shares		4,450	4,386
Total Non-Current Liabilities		8,242	8,374
Contract liabilities		9,588	10,778
Trade and other payables		28,189	27,278
Bank borrowings	B8	146,726	143,549
Lease liabilities		829	875
Redeemable convertible preference shares		140	140
Provision for taxation		627	628
Total Current Liabilities		186,099	183,248
Total Liabilities		194,341	191,622
Total Equity and Liabilities		255,468	252,680
Net asset per share attributable to owners of the Company (sen)		10.00	10.47

This unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2023

BINTAI KINDEN CORPORATION BERHAD

Company No: 199401005191 (290870P)

**Unaudited Condensed Consolidated Statement Of Cash Flows
For The First Quarter And Financial Period Ended 30 June 2023**

	Unaudited Period Ended 30.06.2023 RM'000	Unaudited Period Ended 30.06.2022 RM'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(3,036)	968
Adjustments for:-		
Net interest expense	2,290	2,276
Allowance of expected credit losses on receivables	390	(77)
Depreciation of property, plant and equipment	79	238
Depreciation right of use assets	204	172
Finance income from concession arrangement	(3,247)	(3,259)
Loss on disposal of other investment	690	-
Other non-cash items	588	679
Operating cash flows before changes in working capital	(2,042)	997
Net change in inventories	(323)	-
Net change in concession receivables	3,083	3,083
Net change in current assets	(4,107)	10,730
Net change in current liabilities	(282)	13,038
	(1,629)	26,851
Cash (used in)/generated from operation	(3,671)	27,848
Interest paid	(380)	(2,498)
Interest received	48	10
Income tax paid	(2)	(1)
Net cash (used in)/generated from operating activities	(4,005)	25,359
Cash flows from investing activities		
Acquisition of interest of non-controlling interests	-	(1)
Acquisition of other investment	(18)	(9,000)
Proceeds from disposal of other investment	3,315	222
Purchase of property, plant and equipment	(1)	(6)
Net cash generated from/(used in) investing activities	3,296	(8,785)
Cash flows from financing activities		
Change in deposits pledged with licensed banks	-	(1,842)
Drawdown from bank borrowings	3,342	1,000
Proceed from issuance of shares, net of share issuance expenses	3,105	11,360
Proceeds from issuance of shares to non-controlling interests	-	485
Repayments of bank borrowings	(150)	(6,952)
Repayments of hire purchase liabilities	(35)	(46)
Repayments of lease liabilities	(212)	(117)
Net cash generated from financing activities	6,050	3,888
Net changes in cash and cash equivalents	5,341	20,462
Cash and cash equivalents at beginning of the period	(10,432)	(11,186)
Cash and cash equivalents for the period	(5,091)	9,276
Represented by:		
Deposits placed with licensed banks, cash and bank balances	8,679	30,543
Bank overdrafts	(13,230)	(15,668)
Less : Deposits pledged with licensed banks	(540)	(5,599)
	(5,091)	9,276

This unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2023

BINTAI KINDEN CORPORATION BERHAD

Company No: 199401005191 (290870P)

Unaudited Condensed Consolidated Statements of Changes In Equity For The First Quarter And Financial Period Ended 30 June 2023

	<i>Attributable to owners of the Company</i>					Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	<i>Non-distributable</i>		<i>Distributable</i>					
	Share Capital RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000			
At 1 April 2023	212,211	21,039	(57,587)	-	(82,168)	93,495	(32,437)	61,058
Loss for the period/Total comprehensive loss for the period	-	-	-	-	(2,735)	(2,735)	(301)	(3,036)
Contributions by owners of the Company:								
- Issuance of shares, net of share issuance expenses	3,105	-	-	-	-	3,105	-	3,105
Transfer upon the disposal of equity investment measured at fair value through other comprehensive income	-	-	2,033	-	(2,033)	-	-	-
At 30 June 2023	215,316	21,039	(55,554)	-	(86,936)	93,865	(32,738)	61,127
At 1 April 2022	198,074	21,039	(12,393)	23,313	(29,059)	200,974	20,496	221,470
Profit for the period	-	-	-	-	1,119	1,119	(151)	968
Other comprehensive income:								
- Changes in fair value of equity investments measured at fair value through other comprehensive income	-	-	250	-	-	250	-	250
Total comprehensive income for the period	-	-	250	-	1,119	1,369	(151)	1,218
Contributions by owners of the Company:								
- Issuance of shares, net of share issuance expenses	11,360	-	-	-	-	11,360	-	11,360
- Additional contribution by non-controlling interests	-	-	-	-	-	-	485	485
- Changes in ownership interests in subsidiaries	-	-	-	-	1,991	1,991	(1,988)	3
Total transactions with owners of the Company	11,360	-	-	-	1,991	13,351	(1,503)	11,848
At 30 June 2022	209,434	21,039	(12,143)	23,313	(25,949)	215,694	18,842	234,536

This unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia, Securities Berhad. These interim financial statements also comply with International Accounting Standards (“IAS”) 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2023.

A2 Changes in Accounting Policies

The significant accounting policies and method of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 March 2023.

A3 Auditors’ Report of Preceding Annual Financial Statements

The Auditors have expressed a disclaimer of opinion on the financial statements for the financial year ended 31 March 2023 because the Auditors were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

A4 Seasonal or Cyclical Factors

The Group's operations are not materially affected by any seasonal or cyclical factors in a way that the financial period ended results under review may not correlate to the preceding period's results.

A5 Nature and Amount of Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period.

A6 Nature and Amount of Changes in Estimates

There were no significant changes in estimates that have had a material effect in the current quarter and financial period.

A7 Issues, Cancellations, Repurchase, Resale and Repayments of Debt and Equity Securities

Saved as disclosed below, there were no issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the financial period under review:

Issuance of shares pursuant to the Private Placement

On 26 June 2023, the Company has issued 45,314,000 new ordinary shares, being the second and final tranche of the Private Placement of up to 85,314,000, at an issue price of RM0.07 per ordinary shares with total consideration of RM3,126,666.

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

A8 Dividend Paid

No dividend was paid for the financial period under review.

A9 Valuation of Property, Plant and Equipment

No valuation of property, plant and equipment for the financial period under review.

A10 Material Events Subsequent to the reporting date

There were no material events subsequent to the end of the current quarter up to the date of this report.

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

A11 Segment Information

Business segment information of the Group for the year ended are as follows:

	Specialised mechanical and electrical engineering RM'000	Investment holdings and others RM'000	Concession arrangements RM'000	Elimination RM'000	Consolidated RM'000
3 months period ended 30 June 2023					
Revenue					
Total operating revenue	6,517	62	3,631	-	10,210
Inter segment	-	-	(50)	-	(50)
External operating revenue	6,517	62	3,581	-	10,160
Results					
Segment results, loss before taxation	(2,991)	(2,723)	1,308	1,370	(3,036)
Net interest expense	(440)	(128)	(1,878)	156	(2,290)
Allowance for expected credit losses on receivables	(47)	-	(343)	-	(390)
Depreciation of property, plant and equipment	(79)	-	-	-	(79)
Depreciation of right-of-use assets	(42)	(162)	-	-	(204)
Finance income from concession arrangement	-	-	3,247	-	3,247
Loss on disposal of other investment	-	(690)	-	-	(690)
Other non-cash items	(3)	(585)	-	-	(588)

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

A11 Segment Information (Cont'd)

Business segment information of the Group for the year ended are as follows (cont'd):

	Specialised mechanical and electrical engineering RM'000	Investment holdings and others RM'000	Concession arrangements RM'000	Elimination RM'000	Consolidated RM'000
3 months period ended 30 June 2022					
Revenue					
Total operating revenue	26,433	858	3,593	-	30,884
Inter segment	-	-	-	-	-
External operating revenue	26,433	858	3,593	-	30,884
Results					
Segment results, profit/(loss) before taxation	(1,584)	926	1,279	347	968
Net interest expense	(510)	(279)	(1,627)	140	(2,276)
(Allowance)/Reversal for expected credit losses on receivables	117	-	(40)	-	77
Depreciation of property, plant and equipment	(88)	(150)	-	-	(238)
Depreciation of right-of-use assets	(38)	(134)	-	-	(172)
Finance income from concession arrangement	-	-	3,259	-	3,259
Other non-cash items	(5)	(674)	-	-	(679)

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

A12 Related Party Transactions

There were no significant related party transactions for the current quarter and financial period ended under review.

A13 Changes in the Composition of the Group

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

A14 Capital Commitments

There are no capital commitments that have not been provided in the interim financial report as at 30 June 2023.

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA

B1 Review of Performance

Group	Quarter ended		3 months period ended	
	Q1 2024 RM'000	Q1 2023 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Revenue	10,160	30,884	10,160	30,884
Gross profit margin (%)	36.75%	16.45%	36.75%	16.45%
(Loss)/Profit before taxation	(3,036)	968	(3,036)	968
(Loss)/Profit after taxation	(3,036)	968	(3,036)	968

For the current quarter under review, the Group registered a revenue of RM10.16 million which is lower by 67.1% as compared to RM30.88 million in the preceding year corresponding quarter. The composition of revenue is mainly contributed by mechanical and electrical engineering (“M&E”) segment and concession arrangements segment with 64.1% and 35% respectively. The revenue of M&E segment reflects the stage of completion for various projects during the quarter under review. The Group’s revenue decreased tremendously mainly to the most of the active projects are at the almost completion stage. In addition, the termination of contracts awarded by Tenaga Nasional Berhad also resulted the lower revenue contribution from M&E segment. Higher gross profit margin in current quarter primarily contributed by the concession arrangement segment.

The Group recorded loss after taxation of RM3.04 million as compared to profit after taxation of RM0.97 million reported in the preceding year corresponding quarter mainly due to the significant decline in revenue in the current quarter and there was extraordinary income generated from the waiver of debt in preceding year corresponding quarter.

B2 Review of Material Changes between Current Quarter and Immediate Preceding Quarter

	Current Year Quarter 30 June 2023 RM'000	Immediate Preceding Quarter 31 March 2023 RM'000
Revenue	10,160	22,059
Gross profit margin (%)	36.75%	22.27%
Loss before taxation	(3,036)	(114,411)
Loss after taxation	(3,036)	(114,012)

The Group recorded revenue of RM10.16 million and loss before taxation of RM3.04 million for the current financial quarter ended 30 June 2023 (“Q1 2024”) as compared to revenue of RM22.06 million and loss before taxation of RM114.41 million in the immediate preceding quarter. Lower revenue in Q1 2024 mainly due to the most of its M&E active projects are at the almost completion stage. In addition, the termination of contracts awarded by Tenaga Nasional Berhad also resulted the lower revenue contribution from M&E segment.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B3 Prospects

The Board anticipate that the year 2023/2024 could be a challenging period for the Group in view that the Company is classified as PN17 listed issuer; and insufficient cash flow to support the operations and repayments of its banking facilities. Furthermore, Tenaga Nasional Berhad (“TNB”) has terminated ten (10) contracts awarded to the Group due to its inability to continue perform its contractual obligations which arose from the financial difficulties facing by the Group as a result of its banking facilities being suspended and/or terminated by the financial institutions. As a results of the termination, the Group’s revenue contributed from M&E segment is significantly affected and the financial impact which caused by the termination of contracts are unable to be reliably measured at this juncture. The Management has been closely following up with TNB in order to finalise our contracts claims.

Furthermore, the Management taking initiative action plans to address the short-term liquidity challenge faced by our operations and resolutions to solve it. These include expediting resolution or commercial settlement of contract claims with clients; negotiating with the lenders for support existing facilities; and discussing with suppliers and sub-contractors on outstanding payments. The discussion with MBSB Bank Berhad and Statement Government of Melaka is still on-going. Alternatively, the Management also actively seeking for potential investor/buyer with the objective of disposing the concession segment.

The Group’s future prospect is highly dependent on it afford to formulating a suitable regularisation plan with all other stakeholders and achievement of sustainable and viable operations in order to uplift the Company from PN17 status. Currently, the Company is in the midst of formulating a regularisation plan to address its financial condition and the Company shall make the necessary announcement in regard to the development on the above matter.

The Board will weigh all options and implement appropriate strategies to ensure continuation and long-term sustainability of its business operation. Notwithstanding the aforementioned, the Management will be more prudent in the management of its assets and focus on its core competencies in order to deliver sustainable future growth to stakeholders.

B4 Variance of Actual Profit from Forecast Profit and Shortfall in the Profit Guarantee

The Group has not announced or disclosed any profit forecast or profit guarantee in a public document that relates to this reporting period.

B5 Loss Before Taxation

		Current year quarter 30.06.2023 RM’000	Current year to-date 30.06.2023 RM’000
	Loss before taxation is arrived at after charging/(crediting)		
(a)	Depreciation of property, plant and equipment	79	79
(b)	Interest expense		
	- Cost of sales	10	10
	- Operating expenses	2,338	2,338
(c)	Rental expense	85	85
(d)	Rental income	(46)	(46)

BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023

B6 Taxation

There is no taxation for the current quarter and financial period ended under review.

B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed subsequent to the end of the current quarter and up to 29 August 2023, being the latest practicable date, which shall not be earlier than 7 days from the date of issuance of this quarterly report, which is expected to have an operational or financial impact on the Group.

B8 Borrowings and Debt Securities

The Group's borrowings as at the end of the reporting period are as follows:

	30.06.2023	30.06.2022
	RM'000	RM'000
Current		
<i>Secured</i>		
Bank overdrafts	13,230	15,668
Bills payable	18,383	10,821
Revolving credit	3,193	5,484
Term loan	111,776	7,666
Hire purchase liabilities	144	188
	<u>146,726</u>	<u>39,827</u>
Non-current		
<i>Secured</i>		
Term loan	-	101,251
Hire purchase liabilities	491	634
	<u>491</u>	<u>101,885</u>
	<u><u>147,217</u></u>	<u><u>141,712</u></u>

The borrowings are all denominated in Ringgit Malaysia.

B9 Off Statement of Financial Position Financial Instruments

There were no financial instruments with off statements of financial position risk as at the date of this report.

B10 Fair Value Changes of Financial Liabilities

The Group does not have any financial liabilities measured at fair value through profit or loss as at 30 June 2023.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B11 Material Litigation

Kejuruteraan Bintai Kindenko Sdn. Bhd. (“KBK”) v Serdang Baru Properties Sdn. Bhd. (“SBP”) & Lee Yam Hooi as the Intervener

(A) In the Shah Alam High Court and Court of Appeal Malaysia

KBK filed a winding up petition against SBP and SBP wound up by the Shah Alam High Court on 26 November 2018. A shareholder of SBP, Lee Yam Hooi (“the Applicant”) has filed a summons pursuant to Section 493 of the Companies Act 2016 (“S.493 application”) to terminate the winding up and was dismissed by the Shah Alam High Court on 12 December 2019 and the Applicant appealed against the Shah Alam High Court’s decision. On 12 October 2020, the Court allowed applicant to file the records of appeal for his notice to appeal on the termination of winding up.

The Court adjourned the hearing of the case to 30 August 2023.

(B) In the Court of Appeal Malaysia

The parcel of land known as Geran No. 66423, Lot 42095, Pekan Serdang, Daerah Petaling, Selangor (“subject property”) had been auctioned on 3 December 2018 and successfully bided by KBK.

A contributory of SBP had then filed an application to the Court of Appeal to *inter alia* intervene in the appeal and restrain KBK from dealing with the subject property until the disposal of SBP’s appeal. On 23 April 2019, the Court of Appeal allowed the contributory’s application. KBK filed a motion to strike out the appeal given that SBP had failed to file its records of appeal within the prescribed time (“Enclosure 49”). The intervener had also filed a motion to stay the appeal pending the disposal of the S.493 application and/or S.471 application as disclosed above (“Enclosure 45”).

On 12 March 2021 hearing, the intervener’s application for the extension of time to file records of appeal was allowed and the court has dismissed KBK’s application for striking out with no order as to costs.

On 26 May 2022, the Court of Appeal is of the view that the order for sale process in the High Court was not done correctly and in particular as per the Court of Appeal’s brief grounds that KBK has failed to disclose during the hearing in the High Court whether the extension to the Prohibitory Order extension was registered. According to the Court of Appeal, this is important as the extension to the Prohibitory Order would only be valid/in effect once it is registered with the Land Office. The Court of Appeal finds that there are merits in SBP’s appeal and therefore allowed the appeal with cost of RM15,000 to be paid to SBP subject to the allocator. On 8 June 2022, KBK filed Notice of Application for Leave to Appeal at Federal Court.

On 13 June 2023, the Federal Court allowed KBK’s motion for leave to appeal to the Federal Court against the Court of Appeal’s decision dated 26 May 2022. In this regard, KBK was allowed to file its appeal and had filed the Notice of Appeal on 20 June 2023. The next case management is fixed on 2 October 2023.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B11 Material Litigation (Cont'd)

Kejuruteraan Bintai Kindenko Sdn. Bhd. (“KBK”) v Serdang Baru Properties Sdn. Bhd. (“SBP”) & Lee Yam Hooi as the Intervener (cont'd)

(C) In the Kuala Lumpur High Court

SBP filed an application on 14.10.2021 stating that the auction that took place on 3 December 2018 by KBK is Null and Void due to the fact that it is not in accordance with the National Land Code 1965 and the public auction is therefore invalid.

On 23 May 2022, SBP filed the Notice of Application for Injunction to restrain KBK from dealing with the subject property.

On 9 June 2022, the Court has directed that the matter of annul the auction and Notice of Application for Injunction will be kept in abeyance until the disposal of the matter by the Federal Court.

The Federal Court allowed KBK’s motion for leave to appeal as disclosed in above. Hence, the Court is now scheduled for case management on 12 September 2023.

Optimal Property Management Sdn. Bhd. (“OPM”) v Kolej Teknologi Islam Melaka Berhad (“KTIMB”)

By a Concession Agreement dated 3.12.2015 (“Concession Agreement”), the KTIMB awarded the OPM as a Concession Company to design, construct, complete, operate and maintain the project known as “Cadangan Membangunkan Penempatan Pelajar Di Dalam Kampus Dengan Konsesi Pelajar Bagi Jangkasamasa 25 Tahun Untuk 7,002 Pelajar” (“the Project”) on lands identified as part of that pieces of land belonging to the KTIMB held under Title No. PT 2142 and 2143, HSD 22978 situated in Mukim Kuala Linggi, District of Alor Gajah, State of Malacca.

OPM states that after taking into account the payment made by the OPM, the KTIMB owes OPM the sum of RM15,754,756.87. OPM has filed a statement of claim on 3 September 2020. The Court directed KTIMB to file defence by 13 October 2020.

During the hearing on 23 March 2021, the Court was informed that both parties are in the midst of negotiating settlement terms.

On the hearing for Summary Judgement Application date on 21 April 2021, the Court was informed that settlement between parties is still pending and required more time. The Court was informed that in essence both parties have agreed to settle however still in talks on negotiating the quantum and the timeframe for repayment.

On 28 April 2022, OPM filed an application to amend the Statement of Claim dated 3 September 2020 (“Amendment Application”) to amend the demand sum to RM36,299,661 and served a sealed copy of the same on the KTIMB’s solicitors on 11 May 2022. KTIMB’s solicitor informed the Court that they are objecting to some of the amendments since it relates to facts which were not in existence at the time the Writ and Statement of Claim were originally filed. On 22 December 2022, the High Court allowed OPM’s amendment application.

The next case management for proper trial is scheduled on 9 March 2023 and directed both parties to file the amended cause paper on 3 March 2023.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B11 Material Litigation (Cont'd)

Optimal Property Management Sdn. Bhd. (“OPM”) v Kolej Teknologi Islam Melaka Berhad (“KTIMB”) (cont'd)

The Court has rescheduled the trials dates on 10 January 2024 and 11 January 2024. Next case management is fixed on 20 November 2023.

Kejuruteraan Bintai Kinden Sdn. Bhd. (“KBK”) v Pacific Sanctuary Holdings Sdn. Bhd. (“Pacific Sanctuary”)

KBK had a dispute against Pacific Sanctuary in relation to a Letter of Award (“LOA”) dated 27 November 2012 wherein Pacific Sanctuary appointed KBK as the M&E Main Contractor for the Mechanical and Electrical works for a project known as ‘Proposed Mixed Development (Pacific Parade)’ along Jalan Istiadat, Kota Kinabalu, Sabah for the contract sum of RM133,192,500.

KBK issued the Notice to Arbitrate on 18 December 2019. Subsequently, Pertubuhan Akitek Malaysia had on 6 May 2021 appointed the Arbitrator for this matter.

On 29 June 2022, Pacific Sanctuary informed the Arbitrator that it had applied for judicial management and appointment of a judicial manager pursuant to Sections 404 and 405 of the Companies Act 2016 (“the Act”) in the High Court at Kinabalu, Sabah.

Pursuant to Section 410(c) of the Act, no other proceedings and legal process shall be commenced or continued against Pacific Sanctuary except with the leave of the Court during the period beginning with the making of an application for a judicial management order and ending with the making of such an order or the dismissal of the application. As such, the Arbitrator has not given any directions for the arbitration and the matter is kept in abeyance.

KBK was notified by the solicitors for Pacific Sanctuary that the High Court at Kota Kinabalu, Sabah has scheduled the ruling of the judicial management application on 28 August 2023.

Axbena Sdn. Bhd. (“Axbena”) vs Johnson Medical International Sdn. Bhd. (“JMI”)

(A) Adjudication at Asian International Arbitration Centre (“AIAC”)

By a letter of Acceptance dated 30.07.2018, Axbena awarded JMI as sub-contractor for supplying and maintaining Medical Gas System for a project under “Hospital Pengajar Universiti Teknologi Mara”. JMI filed payment claim and adjudication pursuant to Construction Industry Payment & Adjudication Act 2012 (“CIPAA”) for non-payment of progress claims, retention sum, maintenance charge and interest incurred for total amount of RM1,732,133.07 (“Claimed Sum”).

Axbena disputed the Claimed Sum and claim for a liquidated damages for late completion of work for a sum of RM26,805,901.93. JMI proceed to file notice of adjudication pursuant to CIPAA on 5 January 2023 to bring the dispute to AIAC for adjudication.

AIAC is in the midst of appointing new directors and the adjudication will commence once the new director is appointed.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B11 Material Litigation (Cont'd)

**Axbena Sdn. Bhd. (“Axbena”) vs Johnson Medical International Sdn. Bhd. (“JMI”)
(cont'd)**

(B) In Shah Alam High Court

This is having the same subject matter as the above where Axbena filed and claimed JMI at Shah Alam High Court for liquidated damages. Axbena claiming liquidated damages of RM26,805,901.93 for alleged late completion.

JMI has filed an application to stay this matter in view that the parties are having an ongoing case under adjudication and Axbena via its solicitors agree to refer the matter to adjudication and both parties to inform the court on the same in the upcoming case management on 10 May 2023.

By consent, the Court had on 18 May 2023 allowed JMI’s application to stay the proceedings in court pending the disposal of an intended arbitration pursuant to Section 10 of the Arbitration Act 2005. In this regard, the matter in Court is stayed pending the conclusion of the intended arbitration between the parties.

Notwithstanding the above, no provision was made in the financial statements as the Directors are of the view that the Group have good grounds of defence against Axbena’s claims.

**MBSB Bank Berhad (“MBSB”) vs Optimal Property Management Sdn. Bhd. (“OPM”)
and Bintai Kinden Corporation Berhad (“BKCB”)**

By way of Facility Agreement dated 15 February 2018, MBSB has granted an Islamic Financing Facilities of RM109 million to OPM which comprising of Term Financing-i 1 of RM97 million and Term Financing-i 2 of RM12 million for the purpose to design, construct, complete, operate and maintain the project known as “Cadangan Membangunkan Penempatan Pelajar Di Dalam Kampus Dengan Konsesi Pelajar Bagi Jangkasamasa 25 Tahun Untuk 7,002 Pelajar”.

OPM has defaulted payment on the instalment of the facilities obtained from MBSB and MBSB has terminated the facilities on 29 March 2023. MBSB is claiming from OPM as the borrower and BKCB as Corporate Guarantor for the sum of RM239,090,281.97 and interest accrued. MBSB has filed the Writ of Summon and Statement of Claim at Shah Alam High Court on 6 April 2023 and served the said Writ of Summon and Statement of Claim to the BKCB and OPM on 10 April 2023.

On 3 May 2023, MBSB has filed an application for summary judgement for this matter. On 22 May 2023, BKCB and OPM has filed the defence and counterclaim.

The Court has fixed the next case management on 18 September 2023.

B12 Dividend

No interim dividend is being declared for the quarter under review.

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2023**

B13 (Loss)/Earnings Per Share

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share of the Group is calculated as follows:

	Invidial Quarter Ended		Cumulative Quarter Ended	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
(Loss)/Profit attributable to owners of the Company (RM'000)	<u>(2,735)</u>	<u>1,119</u>	<u>(2,735)</u>	<u>1,119</u>
Weighted average number of ordinary shares in issue ('000)	<u>893,762</u>	<u>753,948</u>	<u>893,762</u>	<u>753,948</u>
Basic (loss)/earnings per share (sen)	<u>(0.31)</u>	<u>0.15</u>	<u>(0.31)</u>	<u>0.15</u>

(b) Diluted earnings per share

Diluted earnings per share were not computed as the Group does not have any dilutive potential ordinary shares in issue at the end of the financial period under review.

BY ORDER OF THE BOARD

TAN TONG LANG
Company Secretary

Date : 29 August 2023