

CEOMORNINGBRIEF

KUALA LUMPUR (July 31): Bintai Kinden Corp Bhd (KL:BINTAI), which has two months left to submit its regularisation plan, said approval has been received for the restructuring and rescheduling of the banking facilities of a wholly owned subsidiary, Kejuruteraan Bintai Kindenko Sdn Bhd.

The restructuring approved by Malayan Banking Bhd (KL:MAYBANK) involves converting outstanding contract overdraft/trade bills into a term loan facility, said Bintai Kinden in a statement on Wednesday.

It also includes reinstating an overdraft facility of RM6.9 million and a bank guarantee facility of RM10 million, said the mechanical and electrical engineering services provider.

“With this approval, all of the group’s banking facilities have been regularised, marking another milestone in the company’s recovery journey,” it added.

Apart from this, the company said its external auditor, HLB Ler Lum Chew PLT, has now expressed a qualified opinion with no modifications related to ongo-

Bintai Kinden receives nod for restructuring of banking facilities

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ing concerns for the financial year ended March 31, 2024 (FY2024).

HLB Ler Lum Chew had in July last year raised a material uncertainty on Bintai Kinden’s ability to continue as a going concern for FY2023.

“Building on these positive developments, Bintai Kinden will engage its adviser to formulate a self-regularisation plan aimed at uplifting its Practice Note 17 (PN17) status,” the group said in the statement.

Bintai Kinden, which has until Sept 29 to submit its regularisation plan to the relevant authorities, slipped into PN17 status in March 2023, after its subsidiary Optimal Property Management Sdn Bhd defaulted on financing facilities totalling RM109 million from MBSB Bank Bhd, in relation to the construction of student campus accommodation.

For FY2024, Bintai Kinden posted a net profit of RM4.06 million, versus a net loss of RM51.11 million in FY2023, thanks to the recognition of fair value gains and redeemable convertible preference shares.

Revenue, however, declined 68.31% to RM36.79 million from RM116.11 million a year ago, mainly due to the termination of Tenaga Nasional Bhd (KL:TENAGA) contracts and the absence of new major projects.

Shares in Bintai Kinden finished unchanged at 12.5 sen on Wednesday, giving the company a market capitalisation of RM146.63 million.