



Bintai Kinden Corporation Berhad

[Registration No. 198201010052 (89776-P)]

10-01-02 PJX – HM Shah Tower, Jalan Persiaran Barat,

46050 Petaling Jaya, Selangor Darul Ehsan

Tel: 03-7662 0488 Fax: 03-7662 0400 Website: www.bintai.com.my

1st September 2026

MINORITY SHAREHOLDERS WATCH GROUP

23-2, Menara AIA Sentral
No. 30 Jalan Sultan Ismail
50250 Kuala Lumpur.

Dear Sir,

32ND ANNUAL GENERAL MEETING (“AGM”) OF BINTAI KINDEN CORPORATION BERHAD (“BKCB” OR THE “COMPANY”) TO BE HELD ON THURSDAY, 3 SEPTEMBER 2026

On behalf of the Board of Directors of Bintai Kinden Corporation Berhad (“BKCB” or the “Company”), we thank you for your letter dated 27 August 2026 Ref: MSWG-CM-05-29/26

Please find our replies as follows:

Operational and Financial Matters

1. The outright sale of OPM has fallen through, the Group remains burdened with RM107.88 million in Islamic term financing on its balance sheet. As of July 2026, monthly debt service obligations to MBSB Bank Berhad stepped up to RM968,000 per month (Note 17(c), Page 140), whereas UIMB is only remitting interim payments of RM600,000 to RM700,000 per month under EISP 1, creating an immediate cash shortfall of nearly RM300,000 each month. With the Finance Service Reserve Account (FSRA) relief expiring and requiring mandatory replenishment by 31 January 2027 (Note 13, Page 135).

If the Supplementary Agreement is not executed by the 30 September 2026 deadline stipulated under EISP 1, will the Board enforce the irrevocable Letter of Undertaking issued by the Melaka State Government / Melaka Chief Minister Incorporated (Note 17(b)(v), Page 139) to recover the full RM72.50 million or will the Group recognise massive incremental Expected Credit Loss (ECL) provisions that could wipe out FY2027 earnings?

The Group has received a new proposal from UIMB in relation to the outstanding amounts under the Concession Agreement. Under the proposal, UIMB will make monthly concession payments of RM600,000 for September 2026, RM700,000 per month from October to December 2026 and RM1.0 million per month from January to December 2027. In addition, UIMB has proposed to make payments of RM2.0 million quarterly towards the outstanding indebtedness from September 2026 to September 2027.

UIMB has also proposed to either settle the outstanding indebtedness and MBSB financing of OPM and thereafter terminate the Concession Agreement, or, subject to the decision of the Board of Directors of UNIMEL, facilitate the takeover of OPM from BKCB by September 2027, with an extension until December 2027.

The Board has agreed to grant the extension of the EISP to September 2027 to allow the proposed payment arrangement and the longer-term settlement options to be progressed. Following the extension, based on the proposed payment schedule, the Group expects to receive sufficient cash flow to meet its monthly MBSB financing obligations and replenish the FSRA within the required timeframe. The proposed arrangement would also provide additional cash flow to support the Group's expanding M&E operations.

With the extension of the EISP, there is no immediate need at this juncture for the Group to enforce the Letter of Undertaking ("LOU"). The LOU remains in place as security for the outstanding amounts owing to OPM.

In respect of ECL, based on the proposed payment arrangement and the continued progress towards a longer-term resolution of the outstanding amounts, Management does not currently expect a significant incremental ECL provision. The final ECL assessment will continue to take into consideration the payment track record, the recoverability of the outstanding amounts, the terms of the arrangement and other relevant information available at the reporting date, in accordance with the applicable accounting standards.

The Group remains committed to working with UIMB and the relevant stakeholders towards the settlement of the outstanding amounts and the eventual termination of the Concession Agreement or takeover of OPM.

2. Considering that international hyperscale data centre operators enforce strict prequalification mandates—including Tier III/IV Uptime Institute compliance, modular power redundancy and liquid-cooling integration.

What dedicated technical partnerships or joint ventures has Kejuruteraan Bintai Kindenko Sdn Bhd (KBK) established to compete directly with incumbent top-tier MEP players in the Cyberjaya and Johor corridors, rather than merely serving as a low-margin sub-tier civil contractor?

KBK has been participating in tenders for data centre projects and will continue to tender for such projects. KBK has the technical capabilities and the necessary licences to undertake data centre projects. A joint venture or technical partnership is therefore not a prerequisite for KBK to participate in or execute such projects. The Group will continue to leverage KBK's existing M&E engineering and construction capabilities when pursuing such projects.

3. In view of the RM18.71 million contractual back-charges incurred across ten terminated projects during FY2025 (Page 9), what specific internal project audit controls and milestone validation frameworks have been implemented to ensure that certified work in-progress claims reflect recoverable cash flows rather than unbilled contract asset accumulation (which stood at RM13.94 million)?

The RM18.71 million in contractual back-charges in FYE2025 arose from the termination of ten projects. The termination of these projects was a consequence of the Group's PN17 status, which resulted in the Group's banking facilities being frozen. As the projects were capital intensive, the Group was no longer in a position to continue funding the works and the affected projects were subsequently terminated by the respective clients.

For seven of the ten projects, the clients appointed new contractors to complete the remaining works. The costs incurred by these replacement contractors were subsequently back-charged to the Group in accordance with the contractual arrangements.

The back-charges were a result of the circumstances surrounding the termination of the affected projects and were not due to any change or weakness in the Group's normal project monitoring and certification process. The Group continues to monitor its projects through the existing monthly review process, with Project Management and Finance jointly reviewing project progress, costs incurred, amounts certified and billed.

These are the same controls that continue to be applied to the Group's ongoing projects. The objective is to ensure that project progress and the related WIP are supported by the work performed and certification received, and that amounts recorded are followed through to billing and collection.

The Group's internal audit function also carries out risk-based reviews of its operations and internal controls, with any findings reported to the Audit Committee and followed up by Management.

Management does not consider the RM18.71 million back-charges to be indicative of a weakness in the Group's project controls. They arose from the specific circumstances surrounding the affected projects and the Group's funding position at that time.

4. Current assets (Page 100) indicate that current trade and other receivables surged from RM23.74 million in FY2025 to RM86.80 million in FY2026. Cash generated from operations remains sensitive to collection velocity.

Excluding the UIMB concession balances, what is the ageing profile of the remaining commercial trade receivables in the M&E and Construction divisions, and what stringent milestone billing terms are being enforced to prevent working capital from becoming tied up in disputed third-party variations?

As at 31 March 2026, based on the Group's internal ageing analysis and excluding balances relating to UIMB, showed commercial trade receivables and retention sums of approximately RM21.05 million for the M&E and Construction divisions.

The ageing profile is as follows:

Ageing	RM million
Current	4.71
1 - 30 days	1.50
31 – 60 days	2.15
61 – 90 days	4.27
91 – 120 days	0.75
More than 120 days	5.07
Retention	2.60
Total	21.05

The above ageing analysis is presented on a gross basis before ECL. ECL is assessed separately based on the recoverability of the respective receivables in accordance with the Group's accounting policy.

The Group's normal credit terms are generally between 30 and 60 days, although the terms may vary depending on the nature and requirements of individual projects.

For project billing, the process is straightforward. Once the progress claim has been certified by the client and received by Finance, the corresponding invoice is issued.

For variation works, the Group's normal practice is to obtain a Variation Order or written approval from the client before carrying out the additional work. Where the work is urgent and prior formal approval cannot be obtained, the Group will generally obtain at least an email confirmation from the client before commencing the work, followed by the formal written approval. The variation is then submitted as part of the claim process.

This approach provides a clear basis for billing and helps reduce the risk of the Group incurring costs on variations that may subsequently be disputed or remain pending approval.

The Group will continue to monitor the ageing of its receivables and the status of outstanding variations to support timely billing and collection.

5. Given that medical hardware distribution is suffering commoditisation, what is the strategic justification for maintaining four separate healthcare/biotech subsidiaries (BMS, JMI, BBSB, BHSB)?

The Group acknowledges that medical hardware distribution is a competitive and increasingly price-sensitive business. The Group therefore does not intend to maintain separate healthcare entities simply for the sake of having them.

BMS, BHSB and BBSB were established for different healthcare and biotech initiatives. However, these businesses have remained inactive and have not generated recurring revenue. They are therefore not currently significant contributors to the Group's healthcare business.

JMI, on the other hand, is an operating healthcare business with an established track record in the design, manufacture and installation of customised hospital support systems. Its products include medical pendants and bed head panels, with various configurations for applications such as anaesthesia and surgery. The products can also be customised according to the requirements of individual hospitals and healthcare facilities.

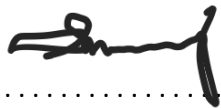
The Group's focus in the healthcare segment is therefore primarily on JMI's established and specialised business, rather than on pursuing commoditised medical hardware distribution.

For the inactive subsidiaries, Management is currently assessing whether there remains a need to maintain these companies. The Board will determine the appropriate course of action in due course.

In the immediate term, the BKCB primary focus is to regain its market share in the Specialised M&E Segment.

Thank you.

For and on behalf of the Board of Directors



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Datuk Tay Chor Han

Managing Director cum CEO

CC: Mr Tan Tong Lang – Company Secretary