

Unaudited Condensed Consolidated Statements Of Profit Or Loss And Other Comprehensive Income  
For The Quarter And Period Ended 30 September 2020

	Note	QUARTER ENDED		CUMULATIVE PERIOD TO DATE	
		30.09.20 RM'000	30.09.19 RM'000	30.09.20 RM'000	30.09.19 RM'000
Revenue		12,278	16,388	25,967	29,988
Cost of sales		(8,460)	(13,901)	(18,657)	(27,193)
<b>Gross profit</b>		<b>3,818</b>	<b>2,487</b>	<b>7,310</b>	<b>2,795</b>
Other income		184	56	250	18,251
Operating expenses		(3,043)	(3,579)	(6,566)	(8,727)
<b>Results from operating activities</b>		<b>959</b>	<b>(1,036)</b>	<b>994</b>	<b>12,319</b>
Finance income		8	3	9	11
Finance costs		(3,933)	(2,415)	(4,583)	(4,679)
<b>Net finance costs</b>		<b>(3,925)</b>	<b>(2,412)</b>	<b>(4,574)</b>	<b>(4,668)</b>
Share of results in a joint venture		-	-	(815)	-
Share of results in associates		(33)	-	(67)	4
<b>(Loss)/profit before taxation</b>		<b>(2,999)</b>	<b>(3,448)</b>	<b>(4,462)</b>	<b>7,655</b>
Income tax expense	B6	-	-	-	-
<b>(Loss)/profit for the period</b>		<b>(2,999)</b>	<b>(3,448)</b>	<b>(4,462)</b>	<b>7,655</b>
<b>Other comprehensive (loss)/income</b>					
<b>Items that are or may be reclassified to profit or loss</b>					
Changes in fair value of equity investments measured at fair value through other comprehensive income		7	-	14	3
<b>Other comprehensive income for the period</b>		<b>7</b>	<b>-</b>	<b>14</b>	<b>3</b>
<b>Total comprehensive (loss)/income for the period</b>		<b>(2,992)</b>	<b>(3,448)</b>	<b>(4,448)</b>	<b>7,658</b>
<b>(Loss)/profit attributable to: -</b>					
Owners of the Company		(2,849)	(3,362)	(4,158)	7,862
Non-controlling interests		(150)	(86)	(304)	(207)
<b>(Loss)/profit for the period</b>		<b>(2,999)</b>	<b>(3,448)</b>	<b>(4,462)</b>	<b>7,655</b>
<b>Total comprehensive loss/income attributable to: -</b>					
Owners of the Company		(2,843)	(3,362)	(4,145)	7,865
Non-controlling interests		(149)	(86)	(303)	(207)
<b>Total comprehensive (loss)/income for the period</b>		<b>(2,992)</b>	<b>(3,448)</b>	<b>(4,448)</b>	<b>7,658</b>
<b>(Loss)/Earnings per share attributable to owners of the Company (sen)</b>					
Basic	B13	(0.90)	(1.17)	(1.31)	2.73
Diluted	B13	(0.90)	(1.17)	(1.31)	2.73

This unaudited Condensed Consolidated Statements of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2020

**BINTAI KINDEN CORPORATION BERHAD**

Company No: 199401005191 (290870P)

**Unaudited Condensed Consolidated Statements of Financial Position  
As at 30 September 2020**

	Unaudited As at 30.09.20 RM'000	Audited As at 31.03.20 RM'000
Note		
<b>Assets</b>		
Property, plant and equipment	65,202	65,537
Investment properties	6,156	6,156
Goodwill	15,050	15,050
Investment in associates	733	798
Investment in a joint venture	3	818
Other investments	31,646	31,633
Concession receivables	129,694	128,634
Right-of-use assets	520	290
<b>Total Non-Current Assets</b>	<b>249,004</b>	<b>248,916</b>
Concession receivables	115	167
Contract assets	5,355	14,999
Trade and other receivables	80,279	72,598
Tax recoverable	309	309
Deposits, cash and bank balances	17,373	3,724
<b>Total Current Assets</b>	<b>103,431</b>	<b>91,797</b>
<b>Total Assets</b>	<b>352,435</b>	<b>340,713</b>
<b>Equity</b>		
Share capital	74,435	59,511
Reserves	12,663	16,309
<b>Equity attributable to owners of the Company</b>	<b>87,098</b>	<b>75,820</b>
<b>Non-controlling interests</b>	<b>24,089</b>	<b>24,393</b>
<b>Total Equity</b>	<b>111,187</b>	<b>100,213</b>
<b>Liabilities</b>		
Bank borrowings	B8 102,003	103,018
Lease liabilities	7,573	7,318
Deferred tax liabilities	6,557	6,557
<b>Total Non-Current Liabilities</b>	<b>116,133</b>	<b>116,893</b>
Contract liabilities	14,021	10,622
Trade and other payables	56,960	61,882
Bank borrowings	B8 52,576	49,782
Lease liabilities	418	181
Provision for taxation	1,140	1,140
<b>Total Current Liabilities</b>	<b>125,115</b>	<b>123,607</b>
<b>Total Liabilities</b>	<b>241,248</b>	<b>240,500</b>
<b>Total Equity and Liabilities</b>	<b>352,435</b>	<b>340,713</b>
<b>Net asset per share attributable to owners of the Company (sen)</b>	<b>27.45</b>	<b>26.36</b>

This unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2020

Unaudited Condensed Consolidated Statements Of Cash Flow For The Quarter  
And Period Ended 30 September 2020

	Unaudited Period Ended 30.09.20 RM'000	Unaudited Period Ended 30.09.19 RM'000
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(4,462)	7,655
<b>Adjustments for:-</b>		
Net interest expense	4,574	4,874
Depreciation of property, plant and equipment	502	563
Share of result in associates and a joint venture	881	(3)
Loss on disposal of property, plant and equipment	197	84
Other non-cash items	413	(12,178)
<b>Operating cash flows before changes in working capital</b>	<u>2,105</u>	<u>995</u>
Net change in concession receivables	(1,009)	(7,252)
Net change in current assets	(6,223)	1,096
Net change in current liabilities	6,622	(5,019)
<b>Cash generated from/(used in) operation</b>	<u>1,495</u>	<u>(10,180)</u>
Interest paid	(4,687)	(4,886)
Interest received	9	11
Income tax paid	-	(1)
<b>Net cash used in operating activities</b>	<u>(3,183)</u>	<u>(15,056)</u>
<b>Cash flows from investing activities</b>		
Investment in an associate	-	(1,300)
Proceed from issue of shares	14,924	-
Proceeds from disposal of quoted shares	-	38
Proceeds from disposal of associate company	-	35
Proceeds from disposal of property, plant and equipment	315	3,060
Purchase of property, plant and equipment	(6)	(89)
Dividend received	-	10
Resales of treasury shares	498	-
<b>Net cash from investing activities</b>	<u>15,731</u>	<u>1,754</u>
<b>Cash flows from financing activities</b>		
Change in deposits pledged with licensed banks	274	1,220
Drawdown from bank borrowings	3,058	18,705
Repayments of bank borrowings	(2,895)	(2,804)
Repayments of hire purchase liabilities	(330)	(128)
Repayments of lease liabilities	(81)	(233)
<b>Net cash from financing activities</b>	<u>26</u>	<u>16,760</u>
Net increase change in cash and cash equivalents	12,574	3,458
Effect of foreign exchange rate difference	-	1
Cash and cash equivalents at 1 April	(11,411)	(12,379)
<b>Cash and cash equivalents for the period</b>	<u>1,163</u>	<u>(8,920)</u>
<b>Represented by:</b>		
Deposits placed with licensed banks, cash and bank balances	17,373	3,917
Bank overdrafts	(15,785)	(12,509)
Less : Deposits pledged with licensed banks	(425)	(328)
	<u>1,163</u>	<u>(8,920)</u>

This unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with  
the audited financial statements for the Period ended 31 March 2020

Unaudited Condensed Consolidated Statements of Changes in Equity For The Quarter And Period Ended 30 September 2020

	Attributable to owners of the Company							Total	Non-Controlling Interests	Total Equity
	Non-distributable			Distributable						
	Share Capital	Warrant Reserve	Fair Value Reserve	Revaluation Reserve	Treasury Shares	Accumulated Losses				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 April 2020</b>	59,511	21,039	10,070	(3,918)	(3,462)	(33,519)	75,820	24,393	100,213	
<b>Movement during the period</b>										
Loss for the period	-	-	-	-	-	(4,158)	(4,158)	(304)	(4,462)	
Changes in fair value of equity investments measured at fair value through other comprehensive income	-	-	14	-	-	-	14	-	14	
<b>Total comprehensive expenses for the period</b>	-	-	14	-	-	(4,158)	(4,144)	(304)	(4,448)	
Issue of shares	14,924	-	-	-	-	-	14,924	-	14,924	
Resales of treasury shares	-	-	-	-	498	-	498	-	498	
	14,924	-	-	-	498	-	15,422	-	15,422	
<b>At 30 September 2020</b>	74,435	21,039	10,070	(3,904)	(2,964)	(37,677)	87,098	24,089	111,187	
<b>At 1 April 2019</b>	59,511	21,039	10,070	(3,691)	(3,462)	(30,572)	79,831	25,843	105,674	
<b>Effect of adoption of MFRS 16</b>	-	-	-	-	-	(16)	(16)	-	(16)	
<b>At 1 April 2019, restated</b>	59,511	21,039	10,070	(3,691)	(3,462)	(30,588)	79,815	25,843	105,658	
<b>Movement during the period</b>										
Profit for the period	-	-	-	-	-	7,862	7,862	(207)	7,655	
Changes in fair value of equity investments measured at fair value through other comprehensive income	-	-	3	-	-	-	3	-	3	
<b>Total comprehensive income for the period</b>	-	-	3	-	-	7,862	7,865	(207)	7,658	
<b>Movement within equity</b>										
Disposal of equity investment measured at fair value through other comprehensive income	-	-	-	2,573	-	(2,573)	-	-	-	
<b>At 30 September 2019</b>	59,511	21,039	10,070	(1,115)	(3,462)	(25,299)	87,680	25,636	113,316	

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 2020

**BINTAI KINDEN CORPORATION BERHAD 199401005191 (290870-P)  
UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2020**

**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 IAS34 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 2020. 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 2020.

**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 2020.

**A3 Seasonal or Cyclical Factors**

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

**A4 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 year to-date.

**A5 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 year to-date.

**A6 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 current quarter and financial year to-date:

Resale of treasury shares

As of 14 September 2020, a total of 998,800 treasury shares were sold at a total consideration of RM499,400.

Issuance of shares pursuant to the Private Placement

On 28 September 2020, a Private Placement for the listing and quotation of 28,700,000 Placement Shares on the Main Market of Bursa Securities with total consideration of RM14,924,000 has been completed.

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**A7 Dividend Paid**

No dividend was paid for the period under review.

**A8 Valuation of Property, Plant and Equipment**

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

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**A9 Segment Information**

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

**6 months period ended 30 September 2020**

	Specialised mechanical and electrical engineering RM'000	Investment infrastructure holdings and others RM'000	Turnkey, & civil and structure RM'000	Property development RM'000	Concession arrangements RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>							
External	18,908	-	-	-	7,059	-	25,967
Inter segment	-	-	-	-	52	(52)	-
<b>Total revenue</b>	<b>18,908</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,111</b>	<b>(52)</b>	<b>25,967</b>
<b>Segment results, (loss)/profit before taxation</b>	<b>(5,364)</b>	<b>(1,412)</b>	<b>(739)</b>	<b>(2)</b>	<b>2,948</b>	<b>107</b>	<b>(4,462)</b>
<b>Results-debit/(credit)</b>							
Interest income	(9)	-	-	-	-	-	(9)
Interest expense	1,000	284	-	-	3,299	-	4,583
Depreciation of property, plant and equipment	167	333	1	-	1	-	502
Share of results in a joint venture	814	-	-	-	-	-	814
Share of results in associate	67	-	-	-	-	-	67
Loss on disposal of property, plant and equipment	197	-	-	-	-	-	197
Other non-cash items:							
Allowance for expected credit loss on receivables	15	-	-	-	219	-	234
Depreciation of right of use assets	179	-	-	-	-	-	179

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**A9 Segment Information (cont'd)**

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

	Specialised mechanical and electrical engineering RM'000	Investment holdings and others RM'000	Turnkey, infrastructure & civil and structure development RM'000	Property development arrangements RM'000	Concession arrangements RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External	22,771	-	-	-	7,217	-	29,988
Inter segment	-	-	2,717	-	-	(2,717)	-
Total revenue	22,771	-	2,717	-	7,217	(2,717)	29,988

**6 months period ended 30 September 2019**

Segment results, profit/(loss) before taxation	727	13,251	(1,014)	-	(4,554)	(755)	7,655
<b>Results-debit/(credit)</b>							
Interest income	(11)	-	-	-	-	-	(11)
Interest expense	1,231	10	-	-	3,644	-	4,885
Depreciation of property, plant and equipment	178	384	-	-	1	-	563
Depreciation of right of use assets	197	-	1	-	-	-	198
Share of results in a joint venture	1	-	-	-	-	-	1
Share of results in associate	-	(4)	-	-	-	-	(4)
Loss on disposal of property, plant and equipment	84	-	-	-	-	-	84
Loss on disposal of other investment	-	37	-	-	-	-	37
Unrealised gain on foreign exchange, net	-	(1)	-	-	-	-	(1)



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**A10 Related Party Transactions**

There were no significant related party transactions for the current quarter and financial year to-date under review.

**A11 Changes in the Composition of the Group**

On 14 September 2020, the Company incorporated a new subsidiary in Malaysia, namely Bintai Healthcare Sdn Bhd as its 50.05% owned subsidiary for a cash consideration of RM501.

**A12 Capital Commitments**

There are no capital commitments that have not been provided for in the interim financial report as at 30 September 2020.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B1 Review of Performance**

Group	Quarter ended		6 months period ended	
	Q2 2021 RM'000	Q2 2020 RM'000	30.09.20 RM'000	30.09.19 RM'000
Revenue	12,278	16,388	25,967	29,988
Gross profit margin (%)	31.10%	15.18%	28.15%	9.32%
(Loss)/Profit before taxation	(2,999)	(3,448)	(4,462)	7,655
(Loss)/Profit after taxation	(2,999)	(3,448)	(4,462)	7,655

Quarter review and 6 months period ended review

The Group posted a revenue of RM12.28 million in the current quarter ended 30 September 2020 ("Q2 2021") against RM16.39 million in the corresponding quarter ended 30 September 2020 ("Q2 2020"), a drop of approximately RM4.11 million. The negative impact from Covid-19 pandemic and the various phases of Movement Control Order ("MCO") has caused the slowdown of the mechanical and electrical engineering segment. The Group reported high gross profit margin of 31.10% in Q2 2021 as compared to 15.18% in the preceding year corresponding quarter. Gross profit has substantially increased primarily contributed by the concession arrangement segments.

Loss before taxation of RM3.00 million was recorded in Q2 2021 as compared to loss before taxation of RM3.45 million in Q2 2020, a slight decline of RM0.45 million, attributed by the austerity on cost measures.

The Group's revenue for the financial year-to-date was RM25.97 million, a decrease of 13.41% from RM29.99 million in the preceding year's corresponding period, mainly due to the slowdown in the mechanical and electrical engineering segment. However, the Group has recorded a higher gross profit margin of 28.15% for the year-to-date, as compared to 9.32% in the preceding year's corresponding period primarily contributed by the concession arrangement segments.

The loss before taxation of RM4.46 million posted for the financial year-to-date against profit before taxation of RM7.66 million in the preceding year's corresponding period, mainly due to the negative financial impact from Covid-19 pandemic and the extended MCO. In addition, there were bad debt recovered from a former associate company in the preceding year's corresponding period.

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

Group	Quarter ended	
	Q2 2021 RM'000	Q1 2021 RM'000
Revenue	12,278	13,689
Gross profit margin (%)	31.10%	25.51%
Loss before taxation	(2,999)	(1,463)
Loss after taxation	(2,999)	(1,463)

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**B2 Review of Material Changes between Current Quarter and Immediate Preceding Quarter (cont'd)**

The Group's revenue for the quarter under review was slightly lower at RM12.28 million against RM13.69 million in the immediate preceding quarter, as various phase of MCO implemented has resulted in disruptions to the Group's business operation.

The Group registered a higher loss before taxation of RM3.00 million in Q2 2021 against a loss before taxation of RM1.46 million in Q1 2021, mainly contributed by loan interest generated from bank borrowings.

**B3 Prospects**

Since the Covid-19 outbreak was first diagnosed, it has spread to over 200 countries and profoundly impacting all types of businesses. The pandemic has negatively affecting global economic growth and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus.

The Covid-19 pandemic and the intensified quarantines happening in the world is affecting hundreds of millions of people and thus shortage of labour and parts encountered by manufacturers, disrupting just-in-time supply chain and triggering sales warnings. In addition, commodity prices have fluctuated mainly due to a fall in China's consumption of raw materials, and as such, manufacturers are considering cutting their output.

With the uncertainty lying behind this pandemic, we can expect the global market to be quite volatile with minimal growth this year. The Group will step up efforts to build resilience into our operations. The management will monitor closely on the cost effectiveness of the Group and come up with alternative ways to mitigate financial impact to the Group.

Despite the challenges, the Group will continue to focus on its core business in mechanical and electrical engineering segment and endeavor to secure more opportunities and recurring projects in Malaysia which are able to contribute positively to the future earnings of the Group. In addition, the Group will also be assessing the risks and opportunities of diversification into other business segment with the right strategy and available resources in order to enhance its revenue growth. 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)/Profit Before Taxation**

	Current year quarter 30.09.20 RM'000	Current year to-date 30.09.20 RM'000
<b>(Loss)/Profit before tax is arrived at after charging/(crediting)</b>		

(a)	Interest income	(8)	(9)
(b)	Rental income	(38)	(82)
(c)	Rental expense	13	22
(d)	Interest expense		
	-Cost of sales	493	732
	-Operating expenses	3,933	4,583
(e)	Depreciation of property, plant and equipment	243	502
(f)	Unrealised gain on foreign exchange	2	-

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**B6 Income Tax Expense**

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

**B7 Status of Corporate Proposals**

Saved as disclosed below, there were no corporate proposals announced but not completed subsequent to the end of the current quarter and up to 30 November 2020, 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 except for the following:

**Proposed Debt Settlement with Handal Jayabina Sdn Bhd**

The Company announced that its wholly owned subsidiary, Optimal Property Management Sdn Bhd ("OPM") had on 21 October 2020 entered into a debt settlement agreement ("Debt Settlement Agreement") with Handal Jayabina Sdn Bhd ("Handal") in relation to the proposed settlement of the outstanding debt owing by OPM to Handal of approximately RM23,397,091.37 ("Amount Owing") to be settled by way of issuance of new ordinary shares in BKCB and OPM as well as [conversion of the remaining Amount Owing into a fixed term loan payment to Handal] ("Proposed Debt Settlement"). The Listing Application for the Proposed Debt Settlement has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 19 November 2020 and is now pending approval from Bursa Securities.

**B8 Borrowings and Debt Securities**

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

	30.09.20 RM'000	30.09.19 RM'000
<b>Current</b>		
<i>Secured</i>		
Overdrafts	15,785	12,509
Revolving credit	12,330	15,651
Term loan	4,852	42
Bills payable/Trust receipt	19,442	12,211
Hire purchase payables	167	233
	52,576	40,646
<b>Non-current</b>		
<i>Secured</i>		
Term loan	101,288	104,977
Hire purchase payables	715	401
	102,003	105,378
	<u>154,579</u>	<u>146,024</u>

The borrowings are all denominated in Ringgit Malaysia.

**B9 Off Statement of Financial Position Financial Instruments**

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

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**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 September 2020.

**B11 Material Litigation**

**Kejuruteraan Bintai Kinden Sdn Bhd (“KBK”) v Serdang Baru Properties Sdn Bhd (“SBP”)**

**(A) In the Shah Alam High Court**

- (i) Companies Winding Up No.: BA-28NCC-144-03/2018**
- (ii) Post Winding Up No.: BA-28PW-70-03/2019 (Applicant : Lee Yam Hooi)**

On 26 March 2019, 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”).

The Winding Up is concluded and SBP was wound up by the Shah Alam High Court on 26 November 2018 and the S.493 application was dismissed by the Shah Alam High Court on 12 December 2019.

The applicant appealed against the Shah Alam High Court’s decision of 12 December 2019. The appeals are currently fixed for case management on 18 November 2020.

- (B) (i) In the Court of Appeal Malaysia Civil Appeal No. W-02(A)-1759-08/2018**
- (ii) In the Kuala Lumpur High Court Originating Summons No. WA-24FC-204-02/2018**

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 bid 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”).

We were informed that the Public Auction was carried out and concluded on 3 December 2018 and that there had not been any application to set aside the said Public Auction. As such, the Public Auction remains valid. The Court of Appeal has not scheduled a hearing date for the appeal given that there are 2 motions pending the determination of the Court of Appeal (namely enclosures 49 and 114).

Both Enclosure 49 and Enclosure 114 are scheduled for hearing in the Court of Appeal on 12 March 2021.

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**B11 Material Litigation (cont'd)**

**Optimal Property Management Sdn Bhd ("OPM") v Handal Jayabina Sdn Bhd ("Handal")**

**(A) In the matter of Arbitration**

Optimal Property Management Sdn Bhd ("OPM"), had commenced arbitration proceedings ("Arbitration") against its Nominated Main Contractor, Handal Jayabina Sdn Bhd ("Handal") in connection with the disputes and/or differences arising from and/or related to the Letter of Award dated 1 July 2016 and other associated contracts related to a project known as 'Cadangan Membina dan Menyiapkan Pembangunan Akademik untuk Tetuan Kolej Universiti Islam Melaka', where OPM is claiming a sum of approximately RM19 million. Arbitrator has been appointed but currently the matter is put on hold by both parties until further notice as there was a settlement proposal.

**(B) Construction Payment and Adjudication (CIPAA)**

Optimal Property Management Sdn Bhd ("OPM"), had received a Notice of Adjudication to refer disputes arising from alleged payment claim under Section 9 of the Construction Industry Payment and Adjudication Act 2012 ("CIPAA") from its Nominated Main Contractor, Handal Jayabina Sdn Bhd ("Handal") for a total amount of approximately RM18 million ("CIPAA Payment Claim") in relation to a project known as 'Cadangan Membina dan Menyiapkan Pembangunan Akademik untuk Tetuan Kolej Universiti Islam Melaka.

OPM has instructed its solicitors to contest the matter and Asian International Arbitration Centre (AIAC) has appointed Mr. Chang Wei Mun as the adjudicator. On 8 July 2020, the Adjudicator issued its Adjudication Decision and it was adjudicated that OPM to pay Handal the sum of RM18,954,000 within 2 weeks from the date of Adjudication Decision.

As at the reporting date, both parties are in the midst of settlement negotiation and legal action between parties would be in abeyance.

**Optimal Property Management Sdn Bhd ("OPM") v Kolej Teknologi Islam Melaka Berhad ("KTIMB")**

By a Concession Agreement dated 3.12.2005 ("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.

Parties are in the midst complying with directions with regards to pleadings. OPM intends to file an application for summary judgment. Parties are to file all necessary pleadings and application before the next case management. The next case management is scheduled on 28 December 2020.

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**B11 Material Litigation (cont'd)**

**Bintai Integrated Engineering & Construction Sdn. Bhd. ("BIEC") v Panasonic Homes (M) Sdn. Bhd. & Panasonic Life Solutions (M) Sdn. Bhd. (Collectively known as "Panahome")**

On 13 May 2020, Bintai Integrated Engineering & Construction Sdn. Bhd. ("BIEC") proceed to call on the Bank Guarantee amounting to RM2,904,000 placed by its nominated subcontractor, Panasonic Homes (M) Sdn. Bhd. & Panasonic Life Solutions (M) Sdn. Bhd. (Collectively known as "Panahome") due to non-performance of Panahome during the defect liability period related to the Letter of Award dated 6 March 2014 for "Cadangan Pembangunan 1 Blok Kondominium 28 Tingkat Yang Mengandungi: 2 Blok Kondominium 21 Tingkat (504 unit), 7 Tingkat Podium Tempat Letak Kereta Berserta Kemudahan (Kolam Renang, Taman Permainan, Kemudahan Awam) Di Atas Lot 551, Seksyen 85A, Bandar Baru Sentul, Mukim Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur).

On 14 May 2020, Panahome filed an Originating Summons and an ex parte injunction for the following prayers:

- (a) Declaration that BIEC is not entitled to make any demand for the bank guarantee;
- (b) Declaration that the demand made by BIEC is wrong in the eyes of the law;
- (c) An Order Restraining BIEC or its related parties from making a demand or issue a further demand on the entire or and/or part of the sum of the Bank Guarantee;
- (d) An Order Restraining BIEC or its related parties receiving the proceeds in part or in full of any payment made under the Bank Guarantee;
- (e) In the event that the said proceeds in part or in full received by BIEC or its related parties, an Order that the BIEC and its related parties be restrained from utilising or spending the proceeds and that proceeds to be refunded to Panahome.
- (f) Cost; and
- (g) Any further or other relief that the Court deems fit to grant.

On 15 May 2020, the ex parte injunction was allowed and BIEC has been restrained from utilising or spending the proceeds of the Bank Guarantee. On 21 May 2020, BIEC filed to strike out the Originating Summons. On 21 July 2020, the Court dismissed BIEC's application and ordered the sum of RM2,904,000 to retain in the joint stakeholders account of Panahome's solicitor and BIEC's solicitor and pending final disposal of the arbitration proceeding between Panahome and BIEC.

On 28 May 2020, BIEC filed an application pursuant to Section 10 of the Arbitration Act 2005 to stay proceedings pending arbitration and claim for loss of business reputation up to RM5,000,000. On 29 September 2020, the suit has been stayed by the Court pending the arbitration proceeding. No arbitration proceedings have been commenced yet.

On 27 October 2020, BIEC filed an appeal against the High Court's decision but there are no dates fixed for the appeal yet.

**B12 Dividend**

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

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**B13 (Loss)/Earnings per share**

	Quarter Ended		Year-to-date ended	
	30.09.20	30.09.19	30.09.20	30.09.19
(Loss)/Profit attributable to owners of the Company (RM'000)	<u>(2,849)</u>	<u>(3,362)</u>	<u>(4,158)</u>	<u>7,862</u>
Weighted average number of ordinary shares in issue for basic earnings per share computation ('000)	<u>317,292</u>	<u>287,594</u>	<u>317,292</u>	<u>287,594</u>
Basic (loss)/earnings per share (sen)	<u>(0.90)</u>	<u>(1.17)</u>	<u>(1.31)</u>	<u>2.73</u>

Basic (loss)/earnings per share of the Group is calculated by dividing the (loss)/profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

**B14 Disclosure on Qualification of Audit Report**

The audit report of the Group's financial statements for the financial year ended 31 March 2020 was not qualified.

**BY ORDER OF THE BOARD**

NG LAI YEE  
 Company Secretary

Date : 30 November 2020