

ANNOUNCEMENT: STRATEGIC COLLABORATION AND JOINT DEVELOPMENT BETWEEN BDB LAND SDN BHD AND AMAN SETIA DEVELOPMENT SDN BHD.

1.	<p>INTRODUCTION</p> <p>Bina Darulaman Berhad (Registration No.199501003751 (332945-X)) ("Company") wishes to announce that on 6 August 2021, BDB Land Sdn. Bhd.(Registration No. 198101003170 (69284-P)) ("BLSB"), a wholly-owned subsidiary of the Company and Aman Setia Development Sdn Bhd (Registration No. 200301014930 (617350-P)) ("ASDSB") (collectively referred to as the "Parties" and each as a "Party") had entered into a conditional joint venture arrangement ("Joint Development") to work together as strategic joint development partners through BDB Setia Sdn Bhd (Registration No. 202101014652 (1414952-D)) ("BSSB") to optimise the value of all that parcel of agriculture land of 103.63 acres held under GRN 32165, Lot 3127, Mukim Sungai Petani, Daerah of Kuala Muda, Negeri Kedah Darul Aman ("Land").</p>
2.	<p>INFORMATION OF BLSB</p> <p>BLSB, a private limited company incorporated in Malaysia under the Companies Act 1965 and registered under the Companies Act 2016, with its registered address at Level 9, Menara BDB, 88 Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman, is a wholly-owned subsidiary of the Company which is currently listed on the Main Market of Bursa Malaysia Securities Berhad and principally involved in property development.</p>
3.	<p>INFORMATION OF ASDSB</p> <p>ASDSB, a private limited company incorporated in Malaysia under the Companies Act 1965 and deemed registered under Companies Act 2016, with its registered address at 142, 1st Floor, Jalan Kelab Cinta Sayang, Taman Ria Jaya, 08000 Sungai Petani, Kedah and its business address at No. 2 & 3, 1st Floor, Jalan Permatang Gedung, Taman Sejati Indah, 08000 Sungai Petani, Kedah and principally involved in property development.</p>
4.	<p>INFORMATION OF BSSB</p> <p>BSSB, a private limited company incorporated in Malaysia under the Companies Act 2016, with its business address at Lot 1, Bandar Darulaman, P/O Box 12, 06007 Jitra, Kedah Darul Aman.</p>
5.	<p>THE SALIENT TERMS OF THE JOINT DEVELOPMENT</p> <p>BLSB and ASDSB agree to jointly develop the Land subject to the approval of the Estate Land Board and completion of the transfer of the Land in favour of a special purpose vehicle (SPV) incorporated by BLSB. The equity structure in the SPV will be progressively passed to ASDSB in stages subject to the established provisions and full entitlements to BLSB under the agreements entered into between SPV, BLSB and ASDSB.</p>

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6.	<p>RATIONALE OF THE JOINT DEVELOPMENT</p> <p>The rationale and prospect for the Joint Development are as follows:</p> <ul style="list-style-type: none"> (a) The joint venture would be a strategic opportunity combining parties' expertise and strength to develop the Land into a mixed residential and commercial development. (b) The Joint Development shall contribute positively to the Company's future earnings and strengthen its financial position moving forward.
7.	<p>FINANCIAL EFFECT OF JOINT DEVELOPMENT</p> <p>The execution of the agreements for the Joint Development are not expected to have any material effect on the earnings, net assets and gearing of BDB for the current financial year ending 31 December 2021. Nonetheless, BDB expects a positive contribution to its earnings in the future should the collaboration be finalized and successfully commercialised which does not affect the issued and paid-up share capital and the substantial shareholders' shareholdings of BDB.</p>
8.	<p>DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS</p> <p>None of the Directors, major shareholders and/or persons connected with a Director or a major shareholder of the Company, have any interest, direct or indirect, in the Joint Development.</p>
9.	<p>APPROVALS REQUIRED</p> <p>The execution of the agreements and any documents in connection to this Joint Development are not subject to the approval of the shareholders of the Company or any relevant authorities.</p>
10.	<p>DOCUMENTS AVAILABLE FOR INSPECTION</p> <p>The relevant agreements in connection with this Joint Development are available for inspection at the registered office located at Level 9, Menara BDB, 88 Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman during office hours subject to prior notification or appointment if required with strict compliance in respect of the standard operating procedure, in line with the implementation of Movement Control Order as enforced by relevant authority.</p>
	<p>This announcement is dated 6 August 2021.</p>