

**ANNOUNCEMENT : STRATEGIC COLLABORATION AND JOINT VENTURE AGREEMENT  
BETWEEN BINA DARULAMAN BERHAD (“BDB”) AND OIB  
PROPERTIES (KV) SDN BHD (“OIB”)**

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<b>1.</b>	<b>INTRODUCTION</b>  Bina Darulaman Berhad [Registration No.199501003751 (332945-X)] (“ <b>BDB</b> ”) wishes to announce that on 21 December 2023, had entered into a joint venture arrangement (“ <b>Joint Development</b> ”) to work together as strategic joint venture partners through OIB Properties (KV) Sdn Bhd [Registration No.: 199101007986 (218298-K)] (“ <b>OIB</b> ”) <b>on the Proposed Joint Development of Darulaman Saujana Phase 2 (782 Units Single Storey Terrace), Mukim Hosba, Daerah Kubang Pasu, Kedah Darul Aman (“ the Project”)</b> .
<b>2.</b>	<b>INFORMATION OF BDB</b>  <b>BINA DARULAMAN BERHAD</b> [Registration No. 199501003751 (No. 332945-X)], is a public listed company incorporated in Malaysia under the Companies Act 2016 and having its registered address at Aras 9, Menara BDB, 88 Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman. Bina Darulaman Berhad (BDB) is an investment holding company where its subsidiaries are the leading name in Kedah for township development, construction, road works, quarry, golf, and leisure.
<b>3.</b>	<b>INFORMATION OF OIB PROPERTIES (KV) SDN BHD</b>  <b>OIB PROPERTIES (KV) SDN BHD</b> [Registration No.: 199101007986 (218298-K)], a company incorporated in Malaysia under the Companies Act 2016 and having its registered address at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town Pulau Pinang with its nature of business specializing in property development.
<b>4.</b>	<b>INFORMATION ON THE PROJECT</b>  The development of the said Land into residential units of 782 single storey terrace held under mother title <b>Grant No 11523 Lot 1659, Mukim Hosba, Daerah Kubang Pasu, Negeri Kedah Darul Aman (“the Land”)</b> , with an area measuring approximately <b>53.75 acres</b> .
<b>5.</b>	<b>OBJECTIVE OF JOINT VENTURE</b>  BDB as the land owner will provide development rights to OIB to develop, construct and complete an affordable housing scheme on part of Darulaman Saujana township. The development is in line with both parties’ strategic planning to leverage its strengths in property development and construction via collaboration for successful execution of the Project.

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**6.** The salient terms of the Joint Venture Agreement ("the Agreement") are as follows-

**AGREEMENT TO DEVELOP**

The Owner agrees to accept the proposal of the Developer and grant the development rights to the Developer to develop the said Land and the Developer hereby agrees to develop the said Land in several phases as the Developer may deems fit and in accordance with the terms and conditions of this Agreement.

**DEVELOPMENT COSTS**

The Developer shall be responsible to pay and bear the Development Costs incurred from the date of Commencement of this Agreement. The Owner hereby confirms that the Owner will settle all the Development Costs incurred or may incurs up to the date of Commencement of this Agreement.

**COMMENCEMENT OF DEVELOPMENT WORKS**

The Developer shall commence the Development Works after the necessary license and permits and all other Relevant Planning Approvals have been obtained by the Developer or vacant possession of the Development Land is obtained, whichever is later.

**CONSIDERATION**

In consideration of the Owner having agreed to this joint-venture:-

(a) the Developer shall pay to the Owner as follows:-

<b>Project</b>	<b>Gross Development Value</b>	<b>Percentage</b>	<b>Entitlement (RM)</b>
Residential	187,680,000-00	25%	46,920,000-00

(b) the Developer shall pay the Owner's entitlement to the Owner in the following manner:-

<b>No.</b>	<b>Payment Plan</b>	<b>Minimum Payment (RM)</b>	<b>Additional Payment (RM)</b>
1.	Upon the signing of this Agreement.	4,700,000-00	-

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	No.	Payment Plan	Minimum Payment (RM)	Additional Payment (RM)
	2.	Within thirty (30) days from the Commencement Date.	2,000,000-00	1,000,000-00
	3.	Within thirty (30) days after the 1 <sup>st</sup> anniversary of the Commencement Date.	3,000,000-00	5,040,000-00
	4.	Within thirty (30) days after the 2 <sup>nd</sup> anniversary of the Commencement Date.	3,000,000-00	7,080,000-00
	5.	Within thirty (30) days after the 3 <sup>rd</sup> anniversary of the Commencement Date.	3,000,000-00	7,020,000-00
	6.	Within thirty (30) days after the 4 <sup>th</sup> anniversary of the Commencement Date.	3,000,000-00	5,760,000-00
	7.	Within thirty (30) days after the 5 <sup>th</sup> anniversary of the Commencement Date.	-	2,320,000-00
		<b>TOTAL</b>	<b>18,700,000-00</b>	<b>28,220,00-00</b>
<b>7.</b>	<b>COMPLETION</b>			
	The completion date shall be within seventy-two (72) months from the Commencement Date of this Agreement.			
<b>8.</b>	<b>RATIONALE OF THE JOINT VENTURE</b>			
	The rationale and prospect for the Joint Venture are as follows:			
	<p>(a) The joint venture would be a common business strategy used in coming together to grow faster, increase productivity and generate the desired profit from the development of affordable township; Darulaman Saujana.</p> <p>(b) This will be a strategic opportunity for both parties through shared investment and expenses, thus alleviating some of the financial burden placed on each company and which can bring down the costs on overall basis.</p>			

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	<p>(c) Both parties will complete the development of Darulaman Saujana which will contribute to the supply of affordable homes to B40 and M40 target market in line with the State’s aims and vision.</p> <p>(d) The development land of affordable township Darulaman Saujana is located along North – South Highway. Given its strategic location within 9 km from Jitra town, 13 km from Bukit Kayu Hitam and 28 km from Bandaraya Alor Setar, the site has excellent connectivity to other major towns and strong exposure to traffic. Few institutions nearby are MRSM Kubang Pasu, Institut Kemahiran Belia Negara, and Kompleks Pentadbiran Daerah Kubang Pasu.</p> <p>(e) The Joint Venture shall contribute positively to the Company’s future earnings and strengthen its financial position moving forward.</p>
<b>9.</b>	<p><b>FINANCIAL EFFECT OF JOINT VENTURE</b></p> <p><b>(a) Share Capital and Substantial Shareholders’ Shareholding</b></p> <p>The Proposed Joint Venture will not have any effect on the issued and paid-up share capital and the shareholding of the substantial shareholders of BDB as the Proposed Joint Venture does not involve issuance of BDB shares.</p> <p><b>(b) Net Assets (“NA”) per share and gearing</b></p> <p>The Proposed Joint Venture will increase net assets of BDB by RM0.02 to RM1.58 per ordinary share (based on the Audited Financial Statements as at 31 December 2022). The proposed Joint Venture will not have any effect on the Gearing ratio.</p> <p><b>(c) Earnings and earnings per Share (“EPS”)</b></p> <p>The Proposed Joint Venture is expected to realize an estimated after-tax gain of approximately RM7.6 million to the BDB Group which is expected to improve BDB Group’s consolidated earnings per share by RM0.03 for the financial year ending 31 December 2023.</p>
<b>10.</b>	<p><b>DIRECTORS’ AND MAJOR SHAREHOLDERS’ INTERESTS</b></p> <p>None of the Directors, major shareholders and/or person connected with a Director or a major shareholder of the Company, have any interest, direct or indirect, in the Joint Venture.</p>

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<b>11.</b>	<b>APPROVALS REQUIRED</b>  The execution of the Agreement is not subject to the approval of the shareholders of the Company or any relevant authorities.
<b>12.</b>	<b>DOCUMENTS AVAILABLE FOR INSPECTION</b>  The Agreement is available for inspection at the Registered Office located at Level 9, Menara BDB, 88 Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman during normal working hours from Sunday to Thursday except for public holidays.
	This announcement is dated 21/12/2023.