

**BRAHIM'S HOLDINGS BERHAD [REGISTRATION NO. 198201002985 (82731-A)]  
DEFAULT IN PAYMENT PURSUANT TO PARAGRAPH 9.19A OF THE MAIN MARKET LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – DEFAULT IN PAYMENT TO OCBC AL-  
AMIN BANK BERHAD**

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## **1. Introduction**

The Board of Directors of Brahim's Holdings Berhad ("BHB" or "the Company") wishes to announce that the Company had on 21 April 2021 received a demand letter from OCBC appointed solicitor Shook Lin & Bok.

OCBC claim against BHB via the letter of demand are as follows: -

- The arrears of rentals due to OCBC in total sum of RM49,880,001.41 as at 1 April 2021.
- BHB is given 7 (seven) days from the date hereon; to regularise the said payment, failing which OCBC shall have no option but be compelled to declare and demand that the secured amount to be immediately due and payable.

## **2. The date of the default in payment.**

The Company has made representations to OCBC in the correspondences prior to the date of the notice of default and subsequently as well.

## **3. The reasons for the default in payment.**

The Company financial difficulties beginning 2019 when first fall into PN17 status. Amid Covid-19 pandemic, the situation has since become worst and company is currently facing cash flow difficulties. The Company has engaged in discussions with OCBC bank for a hair-cut and settlement negotiation which currently still in progress. This scheme of settlement should be form and part of the company PN17 regularisation plan.

## **4. The measures by the listed issuer to address the default in payment.**

With the latest security pledge to the bank which is 100% stake in Tamadam Industries Sdn Bhd, the company is planning to dispose and liquidate the said subsidiary. The company will use the proceed from the disposal to be part of the settlement and to further negotiate the remaining outstanding.

Engagement with the bank was done and deliberated on frequent basis and the company will be required to firm up the disposal plan and to craft more concrete and substance proposal for the bank consideration.

## **5. The legal implications of the default in payment including the extent of the listed issuer's liability in respect of the obligations incurred under the agreements for the indebtedness.**

It's the opinion of the Company that OCBC should not have proceeded with this demand letter or even legal proceedings against BHB to recover the Outstanding Amounts.

Nevertheless, the company will engage with our existing legal firm as to continue the communication between the Company, the bank and their solicitors.

## **6. The business, financial and operational impact of the default in payment on the listed issuer.**

The company is a PN17 issuer since 28 February 2019 and the company as investment holding company has no ongoing operation. As for operating subsidiaries, there will not be significant impact of the default in payment on the business, financial and operations of the remaining business of the Group. Nevertheless, the Group shall endeavour to continue its other remaining business operations notwithstanding the default and will engage with the lenders and suppliers for their continuous support.

**7. In the event the default in payment is in respect of secured loan stocks or bonds, the lines of action available to the guarantors or security holders against the listed issuer.**

The bank can exercise their right to recover from the securities that they hold which include one of the company subsidiaries, Tamadam Industries Sdn Bhd.

**8. In the event the default in payment is in respect of payments under a debenture, to specify whether the default in payment will empower the debenture holder to appoint a receiver or receiver and manager.**

Not applicable.

**9. Whether the default in payment constitutes an event of default under a different agreement for indebtedness (cross default) and the details for such other default, where applicable.**

Not applicable.

**10. Where the default in payment is in respect of a subsidiary or associated company, a confirmation as to whether the subsidiary or associated company is a major subsidiary or major associated company, as the case may be.**

Default is at BHB or company level.

**11. Where the default in payment is in respect of a listed issuer, major subsidiary or major associated company, as the case may be, a statement as to whether the listed issuer is solvent.**

Where the default in payment is in respect of a listed issuer, major subsidiary or major associated company, as the case may be, a statement as to whether the listed issuer is solvent.

Due to the fact that the listed issuer is currently in PN17, with the above default, and the cash position of the company, the company is crafting its regularisation scheme taking into consideration all associated factors including the OCBC settlement, cash flows, new injection of business, potential current business recovery and recently approved Private Placement as to ensure the whole group remain in operation.

With these matters under consideration, the Board is unable to provide to Bursa Malaysia Securities Berhad a Solvency Declaration pursuant 9.19A(4) of the listing requirement.

This announcement is dated 22 April 2021.