

# MATERIAL LITIGATION KNM GROUP BERHAD SETTLEMENT AGREEMENT BETWEEN KNM PROCESS SYSTEMS SDN BHD AND CYPARK SDN BHD

## KNM GROUP BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	KNM GROUP BERHAD  SETTLEMENT AGREEMENT BETWEEN KNM PROCESS SYSTEMS SDN BHD AND CYPARK SDN BHD

KNM Group Berhad is pleased to announce that its wholly-owned subsidiary, KNM Process Systems Sdn Bhd (“KNMPS”) have reached a full and final settlement with Cypark Sdn Bhd (“Cypark”), a wholly-owned subsidiary of Cypark Resources Berhad, regarding all existing and potential disputes in respect of the Engineering, Procurement, Construction, and Commissioning (EPCC) Works for the Solid Waste Modular Advanced Recovery and Treatment Systems Waste Management Solutions (SMART WTE Systems) project at Ladang Tanah Merah, Negeri Sembilan, Malaysia (“the Project”).

During the dispute between Cypark and KNMPS, Cypark asserted claims amounting to RM109,905,000.00 for liquidated ascertained damages (LAD), RM75,220,007.13 for outstanding work completion costs, and an unquantified claim related to defective works rendered by KNMPS. Following an extensive negotiation between KNMPS and Cypark, both parties have reached an amicable settlement with a final agreed amount of RM13,250,000.00.

Therefore, KNMPS and Cypark have recorded a Consent Order for the 4 appeals – two appeals by KNMPS and another two by Cypark – in the Federal Court on 29 October 2024 concerning the Performance Bank Guarantee provided by Affin Bank Berhad dated 30 November 2015 and the Advance Payment Guarantee provided by BNP Paribas Malaysia Berhad dated 1 November 2016 for the purpose of the Project.

This announcement is dated 6 November 2024.

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### Announcement Info

Company Name	KNM GROUP BERHAD
Stock Name	KNM
Date Announced	06 Nov 2024
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