

BINTAI KINDEN CORPORATION BERHAD
[Registration No. 199401005191 (290870-P)]

Subject: Bintai Kinden Corporation Berhad (“BKCB” or “Company”)
Distribution and Licensing Agreement between Bintai Healthcare Sdn Bhd and
Generex Biotechnology Corporation and NuGenerex Immuno-Oncology, Inc.

[For consistency purposes, the abbreviations and definitions used throughout this announcement shall have the same meanings as those previously defined in the Company’s announcement dated 17 August 2020, 19 August 2020, 21 September 2020, 23 September 2020, 28 September 2020 and 29 September 2020 in relation to the (i) Memorandum of Understanding (“MOU”) between the Company and NuGenerex Immuno-Oncology; (ii) Heads of Agreement between the Company and Generex Biotechnology Corporation and NuGenerex Immuno-Oncology Inc.; and (iii) MOU between the Company and Institut Jantung Negara Sdn Bhd]

1.0 INTRODUCTION

The Board of Directors wishes to announce that the Bintai Healthcare Sdn Bhd (“**BHSB**”), the Company’s subsidiary, has entered into a Distribution and Licensing Agreement (“**DLA**”) dated 5 October 2020 with Generex Biotechnology Corporation (“**Generex**”) and its majority owned subsidiary, NuGenerex Immuno-Oncology, Inc. (“**NuGenerex**”).

[Generex, NuGenerex and BHSB may each be referred to herein individually as a “**Party**” and collectively as the “**Parties**”]

The Company has today, received the duly signed DLA executed between BHSB, Generex and NuGenerex.

- (a) NuGenerex is a majority owned subsidiary of Generex and Generex is a public biotechnology company managed by the Executive Management and governed by their Board of Directors.
- (b) The Executive Management is responsible for all matters relating to patent administration and technology transfer applicable to Generex and NuGenerex, and is expressly authorized to negotiate and execute this DLA.
- (c) NuGenerex is the owner of certain patent rights, other intellectual property rights, know-how and other proprietary rights as stated in the DLA (“**Vaccine Platform**”).
- (d) NuGenerex desires to grant to BHSB the exclusive right to distribute, sell and commercialize the Covid-19 Vaccine derived from the Vaccine Platform that BHSB may purchase and/or license from Generex for the specific areas outline herein.

2.0 PURPOSE OF THE DISTRIBUTION AND LICENSING AGREEMENT

BHSB, Generex and NuGenerex hereby agree as follows:

(a) RIGHT TO PURCHASE AND DISTRIBUTE STAGE 1 AND STAGE 2

- (i) Upon approval by the FDA on the Vaccine and the relevant Malaysian Authorities, BHSB will be purchasing the Vaccine in Naked Vial form from Generex/NuGenerex in batches based on CIF KLIA price. This price will include all royalties, distribution/licensing;

- (ii) At a later stage subject to the quantities being viable, BHSB will be purchasing the Vaccine in bulk quantities from Generex/NuGenerex in batches based on CIF KLIA price. The costs of purchase of bulk quantities will be determined at a later stage. This price will include all royalties, distribution/licensing.

(Note : Stage 1 and Stage 2 as defined in our announcement dated 23 September 2020 which is accessible at www.bintai.com.my or www.bursamalaysia.com).

(b) LICENSE AND SUBLICENSES

- (i) Exclusive Manufacturing Rights Granted to BHSB

In the event the market size is significantly large and it makes commercially viable and financially appropriate sense to carry out local manufacturing, the parties will enter into a manufacturing agreement, the terms of which will be determined at that appropriate stage.

- (ii) Diligence Obligations

Stage 1 and Stage 2, Generex/NuGenerex is to grant distribution / commercialization rights to BHSB for the Territory (Territory refers to *Malaysia and South East Asia countries*) and on first right of refusal for the Australia, New Zealand and global Halal markets.

Generex's Obligations

Parties agree that Generex/NuGenerex shall at all aspects procure all documents, permits, consents and approvals for the full approval of the FDA for the said Vaccine application.

Only after Generex/NuGenerex has obtained the Full FDA approvals application, BHSB shall be responsible for all requirements of Malaysian Ministry of Health.

Generex/NuGenerex shall supply the Vaccine to BHSB for Stage 1 (Naked Vial form) and Stage 2 (Bulk Quantities).

(c) PAYMENTS

- (i) In consideration for the Intellectual Property (“IP”) rights, commercialization rights, distribution rights, licensing rights and other rights granted by Generex/NuGenerex to BHSB under this DLA, BHSB shall make payable a sum of USD\$2,625,000.00 for precommercialization stage (inclusive for IP rights, regulatory fees and legal fees), USD\$10,000,000.00 for commercialization stages.
- (ii) The Parties agree that a sum of Two Million Dollars (USD\$2,000,000) shall be paid by BHSB to Generex upon execution of this DLA and the balance of USD\$625,000.00 shall be paid prior to the commercialization stage. The Parties agree that upon commencement of the commercialization stage, the USD\$10,000,000.00 shall be promptly paid by BHSB to Generex.
- (iii) Generex agrees to provide official confirmation in writing within 24 hours after payment is received by Generex.

- (iv) The Parties hereby agree that a sum of USD\$2,000,000 paid by BHSB to Generex is not a deposit and cannot be forfeited in any manner and is to be treated as an advance payment towards receiving the Vaccine in the event Generex meets and complies with the requirements of the FDA.
- (v) In the event Generex/NuGenerex fails to secure the necessary FDA approvals within 6 months or within an approved reasonable amount of time thereafter, from the execution of this DLA and subsequently upon the request of BHSB, Generex shall reimburse BHSB the USD\$2,000,000 advance within 30 days upon demand from BHSB.
- (vi) The Parties hereby agree that BHSB is given total and complete exclusive rights to sell, distribute, or any other manner commercially exploit and deal with the Vaccine in the Territory.
- (vii) Whereas the Parties further agrees that BHSB will have the right of first refusal to commercially exploit the vaccine within New Zealand, Australia and the Global Halal markets. The offer to be made by Generex to BHSB for this purpose must be reasonable and commercially viable.

4.0 CHOICE OF GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed, construed, interpreted, in accordance with the Laws of Malaysia and subject to the exclusive jurisdiction of the courts in Malaysia.

This announcement is dated 6 October 2020.