



## **Sabah Development Bank Berhad 197701003571 (34638-W)**

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### **PRESS RELEASE**

**2 October 2024**

#### **SDB makes significant inroad in its recovery effort on Non-Performing Loans**

KOTA KINABALU: Sabah Development Bank Berhad (SDB) has made significant progress in the recovery of its RM5 billion Non-Performing Loans (NPLs) backed by securities and is confident that the entire recovery process can be wrapped up within 3 years.

Since the new Board and Management took over in the second half of 2023, aggressive legal actions have been taken against both borrowers and guarantors of the NPLs including, the appointment of Receivers & Managers. A new recovery team has also been set up within the Bank in September 2023 and since then all the NPLs have recorded legal actions against them and yielded positive results. Arising from this aggressive stand taken by the SDB Board on the recovery of its bad loan assets, several borrowers have come forward with their settlement proposals and to work with SDB on resolving their outstanding loans.

To-date, settlement proposals worth RM879 million have been approved by the Board with additional settlement proposals expected to be finalised by the fourth quarter of 2024, bringing a total exceeding RM1 billion by year end. SDB is bullish that this strong momentum will continue without fear or favour as the RM5 billion NPLs are secured against tangible assets.

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**SABAH MAJU JAYA**