

BINA PURI HOLDINGS BHD(Company No. 207184-X)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

	3 months ended		12 months ended	
	31-Dec-12 RM'000	31-Dec-11 RM'000	31-Dec-12 RM'000	31-Dec-11 RM'000
Revenue	318,001	289,723	1,271,205	1,178,063
Cost of sales	(299,083)	(251,026)	(1,205,620)	(1,090,007)
Gross profit	18,918	38,697	65,585	88,056
Other operating income	3,857	3,204	7,860	7,727
Administrative expenses	(15,242)	(25,787)	(51,629)	(64,883)
	7,533	16,114	21,816	30,900
Share of results in associates	175	(426)	739	51
Share of results in a jointly controlled entity	(820)	(3,373)	(1,328)	(2,394)
Investment income	2,695	2,043	2,930	2,330
Finance costs	(1,818)	(1,746)	(6,819)	(5,038)
Profit before taxation	7,765	12,612	17,338	25,849
Taxation	(7,174)	(14,165)	(10,964)	(19,091)
Profit for the period	591	(1,553)	6,374	6,758
Other comprehensive (loss)/income				
- Foreign currency translation	(17)	(563)	(524)	(162)
	574	(2,116)	5,850	6,596
Profit attributable to :				
Owners of the Company	662	(1,577)	5,019	5,997
Non-controlling interests	(71)	24	1,355	761
	591	(1,553)	6,374	6,758
Total comprehensive profit attributable to :				
Owners of the Company	806	(2,130)	4,654	5,846
Non-controlling interests	(232)	14	1,196	750
	574	(2,116)	5,850	6,596
Earnings per share (sen)				
- basic	0.53	-1.42	4.05	5.40
- diluted	0.53	-1.42	4.05	5.40

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying explanatory notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD(Company No. 207184-X)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	As At 31-Dec-12 RM'000 (Unaudited)	As At 31-Dec-11 RM'000 (Audited)
Non-current assets		
Property, plant and equipment	101,684	94,638
Investment properties	45,505	112
Investment in associates	5,335	3,717
Other investments	37,274	37,274
Goodwill	350	350
Deferred tax assets	688	678
Total non-current assets	190,836	136,769
Current assets		
Inventories	5,462	4,996
Property development cost	66,571	33,549
Gross amount due from contract customers	205,100	211,567
Trade and other receivables	492,028	421,628
Tax recoverable	726	694
Fixed deposits with licensed banks	15,946	23,220
Cash and bank balances	71,226	53,789
Total current assets	857,059	749,443
Current liabilities		
Gross amount due to contract customers	32,727	23,842
Trade and other payables	427,056	410,108
Hire purchase payables	8,583	4,793
Bank borrowings	368,224	252,326
Tax payable	10,863	14,032
Total current liabilities	847,453	705,101
	9,606	44,342
	200,442	181,111
Equity		
Share capital	124,416	121,883
Reserves	10,845	7,104
Shareholders' funds	135,261	128,987
Non-controlling interests	14,665	13,424
Total equity	149,926	142,411
Non-current liabilities		
Hire purchase payables	8,287	8,661
Term loans	39,733	27,744
Deferred tax liabilities	2,496	2,295
Total non-current liabilities	50,516	38,700
	200,442	181,111
Net assets per share (RM)	1.0872	1.0583

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

	Share capital RM'000	Share premium RM'000	Other capital reserves RM'000	Translation reserve RM'000	Employee share option reserve RM'000	Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 January 2011	107,036	2,975	15,682	(1,557)	677	(15,143)	109,670	12,224	121,894
Total comprehensive income for the financial period	-	-	-	(151)	-	5,997	5,846	750	6,596
Exercise of employee share options	5,247	1,880	-	-	(1,622)	-	5,505	-	5,505
Acquisition of subsidiaries	-	-	-	-	-	-	-	450	450
Grant of share options to employees	-	-	-	-	1,680	-	1,680	-	1,680
Dividends on ordinary shares	-	-	-	-	-	(3,221)	(3,221)	-	(3,221)
Issuance of ordinary shares	9,600	-	-	-	-	-	9,600	-	9,600
Share issuance expenses	-	(93)	-	-	-	-	(93)	-	(93)
Total transactions with owners	14,847	1,787	-	-	58	(3,221)	13,471	450	13,921
At 31 December 2011	121,883	4,762	15,682	(1,708)	735	(12,367)	128,987	13,424	142,411
Total comprehensive income for the financial period	-	-	-	(365)	-	5,019	4,654	1,196	5,850
Exercise of employee share options	905	398	-	-	(326)	-	977	-	977
Grant of share options to employees	-	-	-	-	891	-	891	-	891
Increase share capital in a subsidiary	-	-	-	-	-	-	-	45	45
Dividends on ordinary shares	-	-	-	-	-	(1,861)	(1,861)	-	(1,861)
Issuance of ordinary shares	1,628	(15)	-	-	-	-	1,613	-	1,613
Share issuance expenses	-	-	-	-	-	-	-	-	-
Total transactions with owners	2,533	383	-	-	565	(1,861)	1,620	45	1,665
At 31 December 2012	124,416	5,145	15,682	(2,073)	1,300	(9,209)	135,261	14,665	149,926

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

	31-Dec-12 RM'000	31-Dec-11 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	17,338	25,849
Adjustments for:		
Allowance for impairment loss receivables	368	9,266
Amortisation of government grant	-	(58)
Depreciation	10,901	10,376
Dividend income	(481)	(1,925)
Gain on disposal of property, plant and equipment	(1,043)	(967)
Gain on disposal of other investment	-	(50)
Impact of changes in accounting treatment from associate to other investment	-	226
Interest expense	17,989	15,983
Interest income	(599)	(412)
Net effect of unwinding of interest from discounting	335	(1,033)
Property, plant and equipment written off	50	29
Reversal of allowance for impairment loss on trade and other receivables no longer required	(15)	(334)
Share of results in:-		
- associates	(739)	(51)
- jointly controlled entity	1,328	2,394
Share options granted under ESOS	891	1,680
Unrealised loss / (gain) on foreign exchange	-	2
	<u>46,323</u>	<u>60,975</u>
Net changes in current assets	(98,109)	(76,457)
Net changes in current liabilities	26,394	31,700
	<u>(25,392)</u>	<u>16,218</u>
Interest paid	(16,764)	(15,107)
Tax paid	(13,867)	(5,154)
Net Operating Cash Flows	<u>(56,023)</u>	<u>(4,043)</u>

CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

	31-Dec-12	31-Dec-11
	RM'000	RM'000
CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of :		
- subsidiary	-	180
- associate	(980)	(2,019)
- non-controlling interests	45	128
Advance to associates	-	(4,941)
Interest received	599	412
Proceeds from disposal of:		
- other investments	-	74
- property, plant and equipment	1,446	1,965
Purchase of property, plant and equipment	(10,555)	(18,685)
Purchase of investment properties	(45,393)	-
Dividend received	681	2,326
Release/(placement) of fixed deposits	6,107	8,070
Net Investing Cash Flows	<u>(48,050)</u>	<u>(12,490)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders of the Company	(1,861)	(3,221)
Drawdown/(repayment) of bank borrowings	129,461	73,580
Hire purchase interests paid	(1,225)	(876)
Repayment of hire purchase obligations	(6,452)	(5,257)
Proceeds from:		
- issuance of shares	1,628	9,507
- exercise of employee share options	962	5,505
Net Financing Cash Flows	<u>122,513</u>	<u>79,238</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,440	62,705
EFFECT OF CHANGES IN EXCHANGE RATE	(348)	339
CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD	4,790	(58,254)
CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD	22,882	4,790
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	15,946	23,220
Less: fixed deposits pledged to licensed banks	(15,946)	(22,020)
	-	1,200
Cash and bank balances	71,226	53,789
Bank overdrafts	(48,344)	(50,199)
	<u>22,882</u>	<u>4,790</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The Group falls within the scope definition of Transitioning Entities. The Transitioning Entities are given an option to defer adoption of the MFRSs framework. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1st January 2012.

Accordingly, the Group has chosen to defer the adoption of the MFRSs framework. The Group and the Company will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 31 December 2014. For the financial year ending 31 December 2012, the Group will continue to prepare financial statements using Financial Reporting Standards.

The interim financial statements are unaudited and have been prepared in accordance with the requirement of FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Marketing Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2011.

A2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011, except for the adoption of the following new Financial Reporting Standards (FRS), amendment to FRS and IC Interpretations with effect from 1 January 2012.

Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 7	Financial Instruments: Disclosures
Amendments to IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
FRS 124	Related Party Disclosures
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments

Adoption of the above FRS, amendments to FRS and IC Interpretations did not have any impact on the financial statements of the Group.

The Group and Company have not adopted the following new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
FRS 9	Financial Instruments	1 January 2015
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosures of Interests in Other Entities	1 January 2013

A2. Accounting policies (continued)

FRS 13	Fair Value Measurement	1 January 2013
FRS 12	Disclosures of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investments in Associates and Joint Ventures	1 January 2013
<u>Amendments/Improvements to FRSs</u>		
FRS 101	Presentation of Financial Statements	1 July 2012
FRS 132	Financial Instruments: Presentation	1 January 2014
<u>New IC Int</u>		
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

IC Int 15 Agreements for the Construction of Real Estate

IC Int 15 establishes that the developer will have to evaluate whether control and significant risks and rewards of the ownership of work in progress can be transferred to the buyer as construction progresses before revenue can be recognised. The Group is currently assessing the impact of the adoption of this Interpretation.

A3. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flow

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flow during the quarter under review.

A5. Material Changes in estimates

There was no material changes in estimates of amounts reported in the prior interim periods of the current financial year or the previous financial year.

A6. Issuances, repurchases and repayments of debt and equity securities

There were no issuance and repayment of debts, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period except for:-

- The issuance of 904,725 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme.
- The private placement of 1,628,200 new ordinary shares of RM1 each.

A7. Dividend paid

A final dividend of 2% per share less 25% income tax amounting to RM1,861,009.83 was paid on 18 July 2012 in respect of the financial year ended 31 December 2011.

A8. SEGMENTAL ANALYSIS

The Group's operations comprise the following business segments:

- (i) Construction
- (ii) Property development
- (iii) Polyol manufacturing
- (iv) Quarry and ready mix concrete
- (v) Power supply

31-Dec-12	Construction	Property development	Quarry and readymix concrete	Polyol	Power supply	Others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External customer	1,092,587	45,125	103,073	22,845	7,575	-	1,271,205
Inter-segment revenue	59,545		868			-	60,413
	<u>1,152,132</u>	<u>45,125</u>	<u>103,941</u>	<u>22,845</u>	<u>7,575</u>	<u>-</u>	<u>1,331,618</u>
Adjustments and eliminations							(60,413)
Consolidated revenue							<u>1,271,205</u>
Results							
Segment results	15,460	794	2,038	699	2,971	15	21,977
Adjustments and eliminations							(161)
							<u>21,816</u>
Investment income	2,910	20	-	-	-	-	2,930
Share of results in associates	(265)	129	875	-	-	-	739
Share of results in a jointly controlled entity	(1,328)						(1,328)
Finance costs	(4,990)	(764)	(656)	(150)	(259)		(6,819)
Consolidated profit before taxation	<u>11,787</u>	<u>179</u>	<u>2,257</u>	<u>549</u>	<u>2,712</u>	<u>15</u>	<u>17,338</u>

A8. SEGMENTAL ANALYSIS (continued)

31-Dec-11	Construction	Property development	Quarry and readymix concrete	Polyol	Power supply	Others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External customer	1,084,059	-	72,786	15,178	6,040	-	1,178,063
Inter-segment revenue	1,302	-	26,242	-	-	-	27,544
	<u>1,085,361</u>	<u>-</u>	<u>99,028</u>	<u>15,178</u>	<u>6,040</u>	<u>-</u>	<u>1,205,607</u>
Adjustments and eliminations							(27,544)
Consolidated revenue							<u>1,178,063</u>
Results							
Segment results	28,243	(686)	2,222	(764)	2,544	192	31,751
Adjustments and eliminations							(851)
							<u>30,900</u>
Investment income	2,279	43	-	-	8	-	2,330
Share of results in associates	(463)	-	514	-	-	-	51
Share of results in a jointly controlled entity	(2,394)	-	-	-	-	-	(2,394)
Finance costs	(4,105)	(116)	(498)	(141)	(178)	-	(5,038)
Consolidated profit before taxation	<u>23,560</u>	<u>(759)</u>	<u>2,238</u>	<u>(905)</u>	<u>2,374</u>	<u>192</u>	<u>25,849</u>

A9. Material events subsequent to the end of the period

In the opinion of the directors, there has not arisen in the interval between the end of the current quarter and the date of the announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the result of the Group.

A10. Changes in the composition of the Group

There were no material changes in the composition of the Group during the period under review except for disposal of 100% equity in Medini Square Sdn Bhd.

A11. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 December 2011 were as follows:

	20-Feb-13 RM'000	Changes RM'000	31-Dec-11 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to:			
- associates	19,706	(14,633)	34,339
- other investment	1,068,277	82,447	985,830

A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 31 December 2012 are as follows:

	31-Dec-12 RM'000	31-Dec-11 RM'000
Approved and not contracted for :		
- development of mini hydro power plant in Sulawesi	31,000	-
Approved and contracted for :		
- property, plant and equipment	1,200	1,723

B : Additional notes to Bursa Malaysia Securities Berhad listing requirements

B1. Review of performance

The Group recorded a revenue of RM318.0 million for the current quarter under review and RM1.27 billion for the year ended 31 December 2012 as compared to the previous corresponding year of RM289.7 million and RM1.18 billion respectively.

The Group recorded a profit before tax of RM7.8 million for the current quarter under review and RM17.3 million for the year ended 31 December 2012 as compared to the previous corresponding year of RM12.6 million and RM25.8 million respectively.

For the year ended 31 December 2012, the construction division recorded revenue of RM1.15 billion and profit before tax of RM11.8 million as compared to the previous corresponding year of RM1.09 billion and RM23.6 million respectively. Higher construction costs for overseas projects and foreign currency exchange loss resulted in lower profit for the current period under review.

B1. Review of performance (continued)

The property division recorded revenue of RM45.1 million. This was mainly attributable from progressive profit recognition from sales of development properties for Laman Vila, Mont. Kiara North, Main Place Residence, USJ 21 and Puri Tower Puchong.

The quarry and ready mix concrete division recorded revenue of RM103.9 million and profit before tax of RM2.3 million as compared to the previous corresponding year of RM99.0 million and RM2.2 million respectively.

The polyol division recorded revenue of RM22.8 million and profit of RM0.5 million as compared to the previous corresponding year of RM15.2 million and loss of RM0.9 million respectively. The higher export sales contributed to the improved performance of this division.

The power supply division recorded revenue of RM7.6 million from the micro power service to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and profit before tax of RM2.7 million as compared to the previous corresponding year of RM6.0 million and RM2.4 million respectively. The improved performance was mainly due to additional micro power plants in operation.

B2. Material changes in the quarterly results as compared with the immediate preceding quarter

During the quarter under review, the Group achieved revenue of RM318.0 million and profit after tax RM0.6 million as compared to the immediate preceding quarter of RM367.0 million and RM0.9 million respectively.

B3. Prospects

The Group will continue to focus on and enhance its main core businesses. The current value of contract work in progress is approximately RM1.8 billion, which is expected to provide a steady stream of revenue for the Group over the next three years.

The Group has launched some projects in Klang Valley and would continue with other development in Klang Valley, Johor Bahru and Kota Kinabalu with an estimated projected gross development value of more than RM1.5 billion. This would contribute to better profit margin for the Group.

The Group has successfully secured from PT PLN (Persero) Wilayah Bangka Belitung additional production capacity of 4MW for the micro power generation facilities in Pulau Bangka, Indonesia in 2012 and the total production capacity for these micro power plants is 14 MW in Indonesia..

The Group has entered into an agreement with PT.PLN (Persero), Wilayah Sulawesi to build and operate a mini hydro power plant with capacity of 4,200 KW in Sulawesi at an estimated development cost of US\$10 million. The tenure of the Power Purchase Agreement is 15 years effective from the date of commercial run of the power plant. The mini hydro operation is expected to contribute positively to the earnings of the Group for the financial year ending 31 December 2014 onwards.

The Group is currently exploring business opportunities that would contribute more recurring income to the Group.

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

B5. Taxation

	3 months ended		12 months ended	
	31-Dec-12 RM'000	31-Dec-11 RM'000	31-Dec-12 RM'000	31-Dec-11 RM'000
Income tax				
- current year				
Malaysian income tax	6,564	5,395	10,531	9,954
Foreign income tax	121	307	675	569
- prior year				
Malaysian income tax	(178)	7,792	(428)	7,624
Foreign income tax	-	(230)	-	(230)
	6,507	13,264	10,778	17,917
Deferred taxation				
- current year	667	588.00	186	861
- prior year	-	313.00	-	313
	667	901	186	1,174
	7,174	14,165	10,964	19,091

The Group's effective tax rate was higher compared to the statutory taxation rate mainly due to certain non-tax deductible expenses.

B6. Status of corporate proposals

Bursa Securities had, vide its letter dated 17 December 2012 resolved to reject the application for the proposed disposal of 80% equity interest in PT Megapower Makmur to Oriented Media Group Berhad.

B7. Group borrowings and debt securities

The group borrowings as at 31 December 2012 are as follows:

	<----- 31 December 2012 ----->			31-Dec-11
	Repayable within next 12 months RM'000	Repayable after next 12 months RM'000	Total RM'000	Total RM'000
(i) Long term loans (secured)	25,780	19,733	45,513	32,201
(ii) Short term loans				
- secured	3,800	-	3,800	4,000
-unsecured	67,321		67,321	71,806
	71,121	-	71,121	75,806
(iii) Project financing (secured)	271,323	20,000	291,323	172,063
Total borrowings	368,224	39,733	407,957	280,070

B7. Group borrowings and debt securities (continued)

The borrowings were denominated in the following currencies :-

	<----- 31 December 2012 ----->			31-Dec-11
	Secured	Unsecured	Total	Total
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	306,705	67,321	374,026	245,828
United States Dollar	6,610	-	6,610	5,231
Brunei Dollar	27,321	-	27,321	29,011
	<u>340,636</u>	<u>67,321</u>	<u>407,957</u>	<u>280,070</u>

B8. Changes in material litigation

- **Ho Hup Construction Company Berhad (“Ho Hup”) v. KM Quarry Sdn Bhd (“KMQ”)**

Ho Hup was claiming, *inter alia*, for RM3,433,336 for incomplete, inaccurate joint measurement and overvaluation amounting to RM2,439,294 in respect of works carried out by KM Quarry. KM Quarry’s counter claimed, *inter alia*, for the unpaid outstanding balance of RM3,774,875 in respect of works carried out by KM Quarry. On 29th March 2011, the Court gave Judgment in favour of KM Quarry for RM3,609,655 together with interest at 8% per annum from 25th November, 2005 till date of full realization plus costs and also ordered that costs for the independent referee.

By a settlement agreement dated 7th July 2011, the parties had agreed to settle amicably out of Court at a settlement sum of RM4 million with costs of independent referee. Payment of the settlement sum shall be effected by Ho Hup via the issuance of Redeemable Convertible Preference Shares (RCPS) to KM Quarry worth RM4 million under its Restructuring Scheme of Arrangement pursuant to Section 176 Companies Act, 1965 on or before 31st December 2011 with a grace period of one (1) month therefrom and additionally guaranteed by third party, failing which KM Quarry shall be at liberty to enforce the Judgment pursuant to its terms in full force and effect.

KMQ has received the total sum of RM4,259,726.03 on 31st January 2013 in full and has agreed to discharge the guarantor accordingly.

- **EP Engineering Sdn Bhd (“EP”) v. Bina Puri Sdn Bhd (BPSB) & Kris Heavy Engineering & Construction Sdn Bhd (“KH”) [Arbitration]**

The nature of the proceeding is an Arbitration which has been instituted by EP against BPSB together with KH for an amount of RM16,834,453.00 together with interest thereon for loss and damages suffered by reason of KH’s wrongful repudiation of a subcontract which was awarded by KH to EP. BPSB denies the claim on the ground that there is no contract in existence between EP and BPSB and the alleged amount of loss and damage suffered was by reason of KH’s wrongful repudiation.

EP has closed its case in the Arbitration proceeding. On 30th January 2013, the Arbitrator directed EP to file its written submission by 15th February 2013. On 8th February 2013, EP has further applied for an extension of time to file its written submission by 15th March 2013. We have yet to receive any direction from the Arbitrator.

B8. Changes in material litigation (cont'd)

- **ANC Holdings Pte Ltd (“ANC”) v Bina Puri Holdings Bhd (“BPHB”)**

ANC is claiming for an amount of SGD4,632,274.00 together with interest thereon for commission in the procurement of two (2) projects known as the 359 units of houses at Al Amlaj in Tabuk and the 308 units of houses at Al Dawandmy, both in the Kingdom of Saudi Arabia (“the Projects”). BPHB denies that the award had resulted from ANC’s assistance since BPHB had secured the Projects through its own efforts.

The trial for this matter was concluded on 13th September 2012. The Written Submission was thereafter filed on 25th October and the Oral Submission was completed on 19th November 2012. We have yet to receive any confirmation from the Court on the date of the Decision.

- **MDC Precast Industries Sdn Bhd (“MDC”) v Bina Puri Sdn Bhd (“BPSB”)**

MDC was claiming, *inter alia*, for RM479,869 and late payment interest of RM87,605 for goods which have been supplied and delivered by BPSB. BPSB counter claimed, *inter alia*, that the goods delivered by MDC are defective and unfit for its purpose. BPSB avers that due to the defective goods supplied by MDC and the rejection of those defective goods by the Employer of the Project, BPSB had incurred additional cost of RM1,642,336.47 for rectification works and accelerating of the work in order to complete the Project.

On 25 May 2012, the Learned High Court Judge has granted the MDC’s Summary Judgment but has further allowed a stay of execution of the judgment on the basis that we have a plausible counterclaim against MDC. BPSB’s Appeal against the Summary Judgment decision was allowed on 25th September 2012 and the High Court decision was set aside.

The matter was thereafter fixed for Trial on 19th March 2013 and 22nd March 2013.

B9. Breakdown of realised and unrealised profits or losses of the Group

	31-Dec-12	31-Dec-11
	RM'000	RM'000
Total (accumulated losses)/retained profits		
- realised	(4,148)	(8,246)
- unrealised	(1,983)	(1,794)
	<hr/>	<hr/>
	(6,131)	(10,040)
Total share of (accumulated losses)/retained profits of associates:		
- realised	254	(324)
- unrealised	-	-
	<hr/>	<hr/>
	254	(324)
Total share of (accumulated losses)/retained profits of jointly controlled entity		
- realised	(3,332)	(2,003)
- unrealised	-	-
	<hr/>	<hr/>
	(3,332)	(2,003)
Total	<hr/>	<hr/>
	(9,209)	(12,367)

B10. Dividend

Subject to the shareholders' approval at the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2012 has been recommended as follows:

- 1) A final dividend of 2% less income tax at 25%
- 2) Date of payment will be determined later
- 3) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.

B11. Earnings per share

	3 months ended		12 months ended	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
	'000	'000	'000	'000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	662	(1,577)	5,019	5,997
Weighted average number of ordinary shares (Unit):	124,406	111,142	124,028	111,001
Basic earnings per share (sen)	0.53	-1.42	4.05	5.40

(b) Diluted earnings per share

The diluted earnings per share for the current financial period is not disclosed as the potential ordinary shares arising from the exercise of options under the ESOS at fair value, has anti-dilutive effect.

B12. Audit report qualification

The financial statements of the Group for the year ended 31 December 2011 were not subject to any audit qualification.

B13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with resolution of the Directors.