

**BINA PURI HOLDINGS BHD**(Company No. 207184-X)  
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

	<b>3 months ended</b>		<b>9 months ended</b>	
	30-Sep-14 RM'000	30-Sep-13 RM'000	30-Sep-14 RM'000	30-Sep-13 RM'000
Revenue	303,247	197,211	846,671	727,124
Cost of sales	(287,961)	(181,453)	(800,765)	(679,630)
Gross profit	15,286	15,758	45,906	47,494
Other operating income	3,321	3,252	7,986	6,829
Administrative expenses	(15,640)	(14,260)	(41,670)	(40,739)
	2,967	4,750	12,222	13,584
Share of results in associates	(146)	364	777	1,142
Share of results in a jointly controlled entity	-	-	-	21
Investment income	2,675	45	4,106	328
Finance costs	(2,914)	(2,124)	(7,997)	(5,934)
Profit before taxation	2,582	3,035	9,108	9,141
Taxation	(1,614)	(1,636)	(3,542)	(3,711)
Profit for the period	968	1,399	5,566	5,430
Other comprehensive (loss)/income				
- Foreign currency translation	(249)	(1,247)	(200)	(1,410)
	719	152	5,366	4,020
<b>Profit attributable to :</b>				
Owners of the Company	1,611	1,792	4,903	4,964
Non-controlling interests	(643)	(393)	663	466
	968	1,399	5,566	5,430
<b>Total comprehensive profit attributable to :</b>				
Owners of the Company	1,537	883	4,732	3,926
Non-controlling interests	(818)	(731)	634	94
	719	152	5,366	4,020
<b>Earnings per share (sen)</b>				
- basic	0.91	1.32	2.87	3.83
- diluted	0.91	1.32	2.87	3.83

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2013 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 30 SEPTEMBER 2014

	30-Sep-14 RM'000 (Unaudited)	31-Dec-13 RM'000 (Audited)
<b>Non-current assets</b>		
Property, plant and equipment	119,700	107,010
Investment properties	101,891	103,638
Investment in associates	36,686	36,123
Other investments	7,309	7,309
Power plant under construction	17,548	7,764
Goodwill	13,585	13,585
Deferred tax assets	654	654
<b>Total non-current assets</b>	297,373	276,083
<b>Current assets</b>		
Inventories	6,810	5,417
Property development cost	92,338	100,290
Gross amount due from contract customers	243,282	197,780
Trade and other receivables	563,359	687,382
Tax recoverable	2,985	2,188
Fixed deposits with licensed banks	10,717	14,904
Cash and bank balances	32,152	55,692
<b>Total current assets</b>	951,643	1,063,653
<b>Current liabilities</b>		
Gross amount due to contract customers	2,104	16,185
Trade and other payables	442,209	498,217
Hire purchase payables	9,574	7,684
Bank borrowings	446,799	533,277
Tax payable	7,094	11,605
<b>Total current liabilities</b>	907,780	1,066,968
	43,863	(3,315)
	341,236	272,768
<b>Equity</b>		
Share capital	177,913	157,116
Reserves	15,345	13,417
Shareholders' funds	193,258	170,533
Non-controlling interests	14,849	14,215
<b>Total equity</b>	208,107	184,748
<b>Non-current liabilities</b>		
Hire purchase payables	7,759	9,508
Term loans	117,437	70,701
Deferred tax liabilities	7,933	7,811
<b>Total non-current liabilities</b>	133,129	88,020
	341,236	272,768
<b>Net assets per share (RM)</b>	1.0863	1.0854

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2013 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 PERIOD ENDED 30 SEPTEMBER 2014**

	<b>Share capital</b>	<b>Share premium</b>	<b>Other capital reserves</b>	<b>Translation reserve</b>	<b>Employee share option reserve</b>	<b>Accumulated losses</b>	<b>Attributable to owners of the Company</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	124,416	5,145	15,682	(2,065)	1,301	(9,099)	135,380	14,022	149,402
Total comprehensive income for the financial period	-	-	-	(1,025)	-	5,232	4,207	115	4,322
Acquisition of non-controlling interests	-	-	-	-	-	-	-	78	78
Grant of share options to employees	-	-	-	-	498	-	498	-	498
Dividends on ordinary shares	-	-	-	-	-	(1,997)	(1,997)	-	(1,997)
Issuance of ordinary shares	32,700	-	-	-	-	-	32,700	-	32,700
Share issuance expenses	-	(255)	-	-	-	-	(255)	-	(255)
Total transactions with owners	32,700	(255)	-	-	498	(1,997)	30,946	78	31,024
At 31 December 2013	157,116	4,890	15,682	(3,090)	1,799	(5,864)	170,533	14,215	184,748
Total comprehensive income for the financial period				(171)		4,903	4,732	634	5,366
Issuance of ordinary shares	20,797		-	-	-	-	20,797	-	20,797
Dividends on ordinary shares						(2,669)	(2,669)		(2,669)
Share issuance expenses	-	(135)	-	-	-	-	(135)	-	(135)
Total transactions with owners	20,797	(135)	-	-	-	(2,669)	17,993	-	17,993
At 30 September 2014	177,913	4,755	15,682	(3,261)	1,799	(3,630)	193,258	14,849	208,107

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2013 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 PERIOD ENDED 30 SEPTEMBER 2014**

	30-Sep-14 RM'000	30-Sep-13 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	9,108	9,141
Adjustments for:		
Allowance for impairment loss receivables		-
Depreciation	10,809	9,218
Interest expense	27,016	15,646
Interest income	(4,588)	(328)
Loss on disposal of property, plant and equipment	(598)	111
Property, plant and equipment written off	39	75
Share of results in:-		
- associates	(777)	(1,141)
- jointly controlled entity	-	(21)
Unrealised loss on foreign exchange	(55)	2,466
	<u>40,954</u>	<u>35,167</u>
Net changes in current assets	82,877	(110,024)
Net changes in current liabilities	(67,735)	(37,993)
	<u>56,096</u>	<u>(112,850)</u>
Interest paid	(26,418)	(14,740)
Tax paid	(8,754)	(5,900)
Net Operating Cash Flows	<u>20,924</u>	<u>(133,490)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Interest received	4,588	328
Dividend received	200	400
Proceeds from disposal of property, plant and equipment	2,462	254
Purchase of property, plant and equipment	(20,428)	(7,950)
Purchase of investment properties	2,352	(59,795)
Payment of power plant construction cost	(9,784)	-
Release/(placement) of fixed deposits	3,672	7,434
Net Investing Cash Flows	<u>(16,938)</u>	<u>(59,329)</u>

**CONDENSED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014 (Continued)**

	30-Sep-14 RM'000	30-Sep-13 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to shareholders of the Company	(2,669)	(1,997)
Drawdown/(repayment) of bank borrowings	(92,107)	122,133
Hire purchase interests paid	(598)	(906)
Repayment of hire purchase obligations	(6,067)	(6,308)
Proceeds from issuance of shares shares	20,667	23,472
Net Financing Cash Flows	(80,774)	136,394
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(76,788)	(56,425)
<b>EFFECT OF CHANGES IN EXCHANGE RATE</b>	377	1,009
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD</b>	5,591	38,160
<b>CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD</b>	(70,820)	(17,256)
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits with licensed banks	10,717	8,579
Less: fixed deposits pledged to licensed banks	(10,717)	(8,579)
	-	-
Cash and bank balances	32,152	19,619
Bank overdrafts	(102,972)	(36,875)
	(70,820)	(17,256)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2013 and the accompanying notes attached to the interim financial statements)

## NOTES TO THE INTERIM FINANCIAL REPORT

### A1. Basis of preparation

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 2013.

### A2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2013, except for the adoption of the following new Financial Reporting Standards (FRS), amendment to FRS and IC Interpretations that are relevant to its operations:

FRS 127	Separate Financial Statements
FRS 132	Financial Instruments : Presentation
FRS 136	Impairment of Assets
FRS 132	Financial Instruments : recognition and measurement

Adoption of the above FRS did not have any impact on the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, MFRS.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 *Agriculture* and/or MFRS 15 *Revenue from Contracts with Customers* ("Transitioning Entities"). The Transitioning Entities are given an option to defer the adoption of MFRSs Framework and shall apply the MFRSs framework for annual periods beginning on or after 1 January 2017. Transitioning Entities also include 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 1 January 2012.

Accordingly, the Group and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs framework. As such, the Group and the Company will prepare their first MFRSs financial statements using the MFRSs framework for financial year ended 31 December 2017.

**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 period.

**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 private placement of 20,797,000 new ordinary shares of RM1 each.

**A7. Dividend paid**

A final dividend of 1.5 % per share less 25% income tax amounting to RM2,668,688.19 was paid on 31 July 2014 in respect of the financial year ended 31 December 2013.

## 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

<b>30-Sep-14</b>	<b>Construction</b>	<b>Property</b>	<b>Quarry and</b>	<b>Polyol</b>	<b>Power</b>	<b>Others</b>	<b>Group</b>
	RM'000	development	readymix	RM'000	supply	RM'000	RM'000
<b>Revenue</b>		RM'000	concrete				
			RM'000				
External customer	692,316	63,214	66,919	17,250	6,972	-	846,671
Inter-segment revenue	13,878		1,690			-	15,568
	<u>706,194</u>	<u>63,214</u>	<u>68,609</u>	<u>17,250</u>	<u>6,972</u>	<u>-</u>	<u>862,239</u>
Adjustments and eliminations							(15,568)
Consolidated revenue							<u>846,671</u>
<b>Results</b>							
Segment results	7,202	2,162	(431)	170	2,981	138	12,222
Investment income	2,485	1,541	80	-	-		4,106
Share of results in associates	90	309	378	-	-	-	777
Share of results in a jointly controlled entity	-						-
Finance costs	(5,292)	(1,951)	(444)	(169)	(141)		(7,997)
Consolidated profit before taxation	<u>4,485</u>	<u>2,061</u>	<u>(417)</u>	<u>1</u>	<u>2,840</u>	<u>138</u>	<u>9,108</u>



**A8. SEGMENTAL ANALYSIS (continued)**

	<b>Construction</b> RM'000	<b>Property development</b> RM'000	<b>Quarry and readymix concrete</b> RM'000	<b>Polyol</b> RM'000	<b>Power supply</b> RM'000	<b>Others</b> RM'000	<b>Group</b> RM'000
<b>30-Sep-13</b>							
<b>Revenue</b>							
External customer	583,211	52,335	70,475	14,449	6,654	-	727,124
Inter-segment revenue	72,680		1,495			-	74,175
	<u>655,891</u>	<u>52,335</u>	<u>71,970</u>	<u>14,449</u>	<u>6,654</u>	<u>-</u>	<u>801,299</u>
Adjustments and eliminations							(74,175)
Consolidated revenue							<u>727,124</u>
<b>Results</b>							
Segment results	7,364	3,692	2,219	(11)	255	65	13,584
Investment income	319	-	-	-	9	-	328
Share of results in associates	301	69	772	-	-	-	1,142
Share of results in a jointly controlled entity	21						21
Finance costs	(3,669)	(1,459)	(456)	(113)	(237)		(5,934)
Consolidated profit before taxation	<u>4,336</u>	<u>2,302</u>	<u>2,535</u>	<u>(124)</u>	<u>27</u>	<u>65</u>	<u>9,141</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.

#### A11. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 December 2013 were as follows:

	18-Nov-14 RM'000	Changes RM'000	31-Dec-13 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	404,168	(754,427)	1,158,595

#### A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 30 September 2014 are as follows:

	30-Sep-14 RM'000	31-Dec-13 RM'000
Approved and not contracted for :		
- construction of power plant in Sulawesi	21,440	23,236
Approved and contracted for :		
- property, plant and equipment	4,890	2,061

### B : Additional notes to Bursa Malaysia Securities Berhad listing requirements

#### B1. Review of performance

The Group recorded a revenue of RM303.2 million for the current quarter under review and RM846.7 million for the nine months ended 30 September 2014 as compared to the previous corresponding period of RM197.2 million and RM727.1 million respectively.

The Group recorded a profit before tax of RM2.6 million for the current quarter under review and RM9.1 million for the nine months ended 30 September 2014 as compared to the previous corresponding period of RM3.0 million and RM9.1 million respectively.

For the nine months ended 30 September 2014, the construction division recorded revenue of RM706.2 million and profit before tax of RM4.5 million as compared to the previous corresponding period of RM655.9 million and RM4.3 million respectively.

The property division recorded revenue of RM63.2 million and profit before tax of RM2.1 million for the nine months ended 30 September 2014 as compared to the previous corresponding period of RM52.3 million and RM2.3 million respectively.. This was mainly from sales of development properties for Main Place Residence in USJ 21, Puri Tower in Puchong, Laman Vila in Mont. Kiara North and Jesselton View in Kota Kinabalu.

## **B1. Review of performance (continued)**

The quarry and ready mix concrete division recorded revenue of RM68.6 million and loss before tax of RM0.4 million as compared to the previous corresponding period of RM72.0 million and RM2.5 million respectively. The result of the division was affected by lower revenue and additional maintenance costs incurred.

The polyol division recorded revenue of RM17.3 million and marginal profit as compared to the previous corresponding period of RM14.4 million and incurred a loss of RM124,000 respectively.

The power supply division recorded revenue of RM7.0 million from the micro power service to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and profit before tax of RM2.8 million as compared to the previous corresponding period of RM6.7 million and RM27,000 respectively.

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

During the quarter under review, the Group achieved revenue of RM303.2 million and profit of RM2.6 million as compared to the immediate preceding quarter of RM272.6 million and RM2.0 million respectively.

## **B3. Prospects**

The Group will continue to focus on and develop its major business segments, which are in construction and property development. The current value of contract work in progress for the construction of several projects which include Melawati Mall in Gombak, Selangor, KK Times Square (Phase 2) and Pusat Pentadbiran Negeri Sabah both in Kota Kinabalu, Sabah and the facilities works (Package A and B) for Ampang Line Extension and supply of fabrication and delivery of Segmental Box Girders for Ampang Line Extension is approximately RM2.01 billion, which is expected to provide a steady stream of revenue for the Group over the next three (3) years.

For the property development business segment, the Group had launched several projects which include Jesselton View in Kota Kinabalu, Puri Tower in Puchong, Laman Villa in Mont Kiara North and Main Place Residence in USJ 21 and would continue with other developments in Klang Valley, Johor Bahru, Kota Bharu and East Malaysia with an estimated projected gross development value of RM3 billion. The above will contribute to a better profit margin for the Group in comparison to the construction business segment of the Group.

For other business segment, the Group had entered into an agreement with PT.PLN (Persero), Wilayah Sulawesi on 30 May 2012 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 in 2015. The mini hydro operation is expected to contribute positively to the earnings of the Group for the financial year ending 31 December 2015 onwards. The Group has secured additional diesel power plants with total capacity of 11,000 KW in 2<sup>nd</sup> quarter of 2014 and the investment cost of approximately US\$5.5 million and expected to contribute positively to the earnings of the Group for the 2<sup>nd</sup> half of the financial year 2014.

In addition to the above, the Group is currently exploring other business opportunities that would contribute more recurring income to the Group in the future.

**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		9 months ended	
	30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
	RM'000	RM'000	RM'000	RM'000
<b>Income tax</b>				
- current year				
Malaysian income tax	775	1,682	2,303	3,400
Foreign income tax	(5)	(244)	303	88
- prior year				
Malaysian income tax	808	2	808	3
	1,578	1,440	3,414	3,491
<b>Deferred taxation</b>				
- current year	36	196	128	220
- prior year	-	-	-	-
	36	196	128	220
	1,614	1,636	3,542	3,711

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**

There were no pending corporate proposals except for:

- 1) Proposed private placement of up to 37,3768,500 new shares, representing approximately twenty percent (20%) of the enlarged issued and paid-up share capital of the Company (excluding treasury shares, if any).

The proposal had been approved by Bursa Malaysia and shareholders of the Company on 19 August 2014 and 8 October 2014 respectively.

- 2) Proposed reduction of the issued and paid-up capital of the Company via the cancellation of RM0.50 of the par value of every existing ordinary share of RM1.00 each to RM0.50 each in the Company pursuant to section 64 of the Companies Act, 1965 and proposed amendments to the Memorandum and Articles of Association of the Company to effect the proposed par value reduction.

The proposal had been approved by shareholders of the Company on 8 October 2014.

The Company had, via its legal counsel, filed a petition to the High Court of Malaya on 21 October 2014 in relation to the Par Value Reduction and now waiting for the court's approval.

## B7. Group borrowings and debt securities

The group borrowings as at 30 September 2014 were as follows:

	12 months RM'000	12 months RM'000	RM'000	RM'000
(i) Long term loans (secured)	11,596	73,560	85,156	36,952
(ii) Short term loans				
- secured	3,800	-	3,800	3,800
- unsecured	93,530		93,530	80,747
	97,330	-	97,330	84,547
(iii) Project financing (secured)	337,873	43,877	381,750	482,479
Total borrowings	446,799	117,437	564,236	603,978

The borrowings were denominated in the following currencies :-

	<----- 30 September 2014 ----->			31-Dec-13
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	402,840	93,530	496,370	569,184
United States Dollar	30,579	-	30,579	11,060
Brunei Dollar	37,287	-	37,287	23,734
	470,706	93,530	564,236	603,978

## B8. Changes in material litigation

### (i) 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 together with interest thereon for loss and damages suffered by reason of KH’s repudiation of a subcontract which was awarded by KH to EP for the execution and completion of a Chilled Water Loop System in respect of the KLIA MAS Cargo Complex. 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 repudiation of the aforementioned subcontract.

EP has closed its case in the Arbitration proceeding. Directions have been given by the arbitrator to file written submissions. EP had applied for extension of time from the Arbitrator to file the submissions. Arbitrator had granted extension of time and parties are to file the final submissions by 14<sup>th</sup> January 2015.

BPSB has also entered into a settlement agreement with EP wherein EP has agreed with BPSB not to enforce any award, if any, which may be made by the arbitrator against BPSB.

There is a more than average probability that the claim by EP against BPSB may be dismissed with cost. In the worst case scenario, BPSB will be liable to EP for the full amount awarded (if any) by the arbitrator against KH. The parties are presently filing their respective written submissions and on 28<sup>th</sup> February 2015, the arbitrator may fix a date for decision or clarification later after receiving all the written submissions.

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

MDC is claiming for an amount of RM479,870 for goods which have been supplied and late payment interest of RM87,605. 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 BPSB’s employer, BPSB had incurred an additional cost of RM1,642,336 for rectification works and accelerating of the work in order to complete the project.

On 25 May 2012, the High Court had granted MDC’s Summary Judgment but has further allowed a stay of execution of the judgment on the basis that BPSB has a plausible counterclaim against MDC. BPSB’s appeal against the Summary Judgment was allowed on 25 September 2012 and the High Court’s decision was set aside. MDC had appealed against the decision. The matter was fixed for a full trial on 3 June 2013, 5 June 2013 and 14 June 2013.

On 31 March 2014, after the full trial, the High Court had allowed only the principal sum of RM479,689.86 claimed by MDC, together with an interest of 5% per annum from the filing date of the writ of summons and the statement of claim until full realisation. However, the sum of RM87,604.97 being the contractual interest claimed by MDC was disallowed by the High Court. On the other hand, BPSB’s counter claim was dismissed with costs of RM20,000 to be paid by BPSB to MDC.

BPSB disagreed with the High Court’s decision and maintains that it has a good counter claim. As such, BPSB has lodged an appeal to the Court of Appeal on 15 April 2014. BPSB has also filed an application for stay of execution of the judgment on 21 April 2014. The Stay Application was dismissed on 25<sup>th</sup> June 2014. MDC had also filed an appeal to the Court of Appeal against part of the decisions of the High Court.

We have paid MDC the Judgment sum of RM557,125.56 on 2<sup>nd</sup> June 2014 pending the appeal.

The Court of Appeal have fixed 17<sup>th</sup> November 2014 for hearing of our Appeal. On 17<sup>th</sup> November 2014, the Court of Appeal had dismissed our appeal with cost of RM 20,000-00 to be paid to MDC. The Court of Appeal had also on the same date allowed MDC cross appeal and the contractual interest is allowed to be charged on our Company.

**(iii) Bina Puri Pakistan (Private) Limited (“BPPPL”) v National Highway Authority of Pakistan (“NHA”)**

BPPPL had filed an application under Section 20 of the Arbitration Act, 1940 of Pakistan to refer the disputes out of the unlawful termination of the concession agreement by NHA to arbitration in accordance with the terms of the said concession agreement and the Court in Pakistan in this regard had directed the parties to proceed with arbitration. First arbitration hearing of this matter has already taken place before the Hon’ble Arbitrators in Pakistan where BPPPL has claimed Pak Rupees 26,760,300,964 from NHA as damages (including loss of profit), cost and expenses.

10 out of 12 witnesses gave evidence on the hearing from 12 May 2014 until 16 May 2014 in Pakistan. The hearing which was scheduled on 17<sup>th</sup> November 2014 was adjourned to another date to be fixed as one of the witness was unwell.

The estimated maximum exposure to liabilities is minimal as there is no counter-claim being filed by NHA against BPPPL. The exposure to liability would be in terms of cost and expenses incurred in bringing the matter to arbitration. There is also the commitment to the contractors and consultants engaged, both local and in Pakistan, for the project, to be settled. Based on facts of the case, BPPPL’s Pakistan lawyer is of the opinion that BPPPL has a strong case with a reasonable likelihood of success upon conclusion of arbitration proceedings leading to an award in BPPPL’s favour.

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

	30-Sep-14 RM'000	31-Dec-13 RM'000
<b>Total retained profits/(accumulated losses)</b>		
- realised	5,628	5,600
- unrealised	(7,401)	(9,044)
	(1,773)	(3,444)
<b>Total share of retained profits/ (accumulated losses) of associates:</b>		
- realised	1,545	982
- unrealised	-	-
	1,545	982
<b>Total share of accumulated losses of jointly controlled entity</b>		
- realised	(3,402)	(3,402)
- unrealised	-	-
	(3,402)	(3,402)
<b>Total</b>	(3,630)	(5,864)

**B10. Dividend**

No interim dividend has been declared for the financial period under review.

**B11. Earnings per share**

	<b>3 months ended</b>		<b>9 months ended</b>	
	30-Sep-14 '000	30-Sep-13 '000	30-Sep-14 '000	30-Sep-13 '000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	1,611	1,792	4,903	4,964
Weighted average number of ordinary shares (Unit):	177,912	135,830	171,087	129,640
Basic earnings per share (sen)	0.91	1.32	2.87	3.83

**(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 2013 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.