

BINA PURI HOLDINGS BHD

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	3 months ended		Year ended	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	RM'000	RM'000	RM'000	RM'000
Revenue	473,601	206,807	1,273,472	1,053,478
Cost of sales	(428,947)	(187,963)	(1,167,342)	(988,728)
Gross profit	44,654	18,844	106,130	64,750
Other operating income	3,894	6,054	8,864	14,040
Administrative expenses	(29,052)	(18,010)	(76,982)	(59,680)
	19,496	6,888	38,012	19,110
Share of results in associates	(9,121)	(22,447)	(10,700)	(21,670)
Share of results in a jointly controlled entity	-	-	-	-
Investment income	20,706	71,094	23,327	75,200
Finance costs	(7,314)	(6,367)	(18,806)	(14,364)
Profit before taxation	23,767	49,168	31,833	58,276
Taxation	(10,118)	(7,256)	(12,231)	(10,798)
Profit for the period	13,649	41,912	19,602	47,478
Other comprehensive (loss)/income				
- Foreign currency translation	519	(1,257)	(3,486)	(1,457)
	14,168	40,655	16,116	46,021
Profit attributable to :				
Owners of the Company	(466)	1,570	3,296	6,473
Non-controlling interests	14,115	40,342	16,306	41,005
	13,649	41,912	19,602	47,478
Total comprehensive profit attributable to :				
Owners of the Company	(170)	228	(266)	4,960
Non-controlling interests	14,338	40,427	16,382	41,061
	14,168	40,655	16,116	46,021
Earnings per share (sen)				
- basic	-0.25	0.88	1.56	3.75
- diluted	-0.25	0.88	1.56	2.87

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2014 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 2015**

	31-Dec-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Audited)
Non-current assets		
Property, plant and equipment	175,964	148,219
Investment properties	200,112	180,112
Investment in associates	5,008	15,486
Other investments	7,529	7,274
Goodwill	14,585	14,585
Trade receivables	42,041	67,040
Land held for development	64,056	62,497
Deferred tax assets	-	654
Total non-current assets	<u>509,295</u>	<u>495,867</u>
Current assets		
Inventories	9,149	16,543
Property development cost	147,437	96,413
Gross amount due from contract customers	297,421	258,687
Trade and other receivables	676,341	521,609
Tax recoverable	986	4,104
Fixed deposits with licensed banks	7,011	11,223
Cash and bank balances	82,426	66,908
Total current assets	<u>1,220,771</u>	<u>975,487</u>
Current liabilities		
Gross amount due to contract customers	31,548	6,542
Trade and other payables	646,740	498,885
Hire purchase payables	7,284	6,854
Bank borrowings	399,208	406,793
Tax payable	10,579	9,656
Total current liabilities	<u>1,095,359</u>	<u>928,730</u>
	125,412	46,757
	<u>634,707</u>	<u>542,624</u>
Equity		
Share capital	115,319	88,956
Treasury shares	(404)	-
Reserves	101,474	104,795
Shareholders' funds	<u>216,389</u>	<u>193,751</u>
Non-controlling interests	71,808	55,306
Total equity	<u>288,197</u>	<u>249,057</u>
Non-current liabilities		
Hire purchase payables	7,848	10,292
Term loans	241,607	213,103
Trade payables	85,667	59,458
Deferred tax liabilities	11,388	10,714
Total non-current liabilities	<u>346,510</u>	<u>293,567</u>
	634,707	542,624
Net assets per share (RM)	0.9382	1.0890

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2014 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

	Share capital	Treasury shares	Share premium	Other capital reserves	Translation reserve	Employee share option reserve	Unappropriated profit	Attributable to owners of the Company	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2014	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	-		-	-	(1,513)	-	6,473	4,960	41,061	46,021
Acquisition of non-controlling interests	-		-	-	-	-	-	-	30	30
Grant of share options to employees	-		-	-	-	306	-	306	-	306
Dividends on ordinary shares	-		-	-	-	-	(2,669)	(2,669)	-	(2,669)
Capital reduction	(88,957)						88,957			-
Issuance of ordinary shares	20,797		-	-	-	-	-	20,797	-	20,797
Share issuance expenses	-		(176)	-	-	-	-	(176)	-	(176)
Total transactions with owners	(68,160)		(176)	-	-	306	86,288	18,258	30	18,288
At 31 Dec 2014	88,956		4,714	15,682	(4,603)	2,105	86,897	193,751	55,306	249,057
Total comprehensive income for the financial period					(3,562)		3,296	(266)	16,382	16,116
Issuance of ordinary shares	26,363		271	-	-	-	-	26,634	-	26,634
Shares buy-back		(404)						(404)		(404)
Dividends on ordinary shares							(4,346)	(4,346)		(4,346)
Grant of share options to employees						1,276		1,276		1,276
Exercise of ESOS			304			(304)				-
Share issuance expenses	-		(256)	-	-	-	-	(256)	-	(256)
Subscription of shares by non-controlling interests	-								120	120
Total transactions with owners	26,363	(404)	319	-	-	972	(4,346)	22,904	120	23,024
At 31 December 2015	115,319	(404)	5,033	15,682	(8,165)	3,077	85,847	216,389	71,808	288,197

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2014 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 2015**

	31-Dec-15 RM'000	31-Dec-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	31,833	58,276
Adjustments for:		
Allowance for impairment loss receivables	5,405	-
Changes in fair value of investment properties	(18,453)	(67,140)
Depreciation	13,844	14,420
Dividend income		(481)
Interest expense	36,839	31,814
Interest income	(6,659)	(9,118)
Gain / (loss) on disposal of property, plant and equipment	(738)	(1,248)
Gain on disposal of investment properties	(314)	(2,737)
Net effect on unwinding of interest from discounting	(3,616)	4,997
Property, plant and equipment written off	142	484
Loss on disposal of other investment	598	35
Reversal of allowance for impairment loss	-	(48)
Share of results in associates	10,700	21,670
Share options granted under ESOS	1,276	306
Unrealised loss on foreign exchange	(637)	(386)
	<u>70,220</u>	<u>50,844</u>
Net changes in current assets	(263,541)	37,373
Net changes in current liabilities	249,864	24,147
	<u>56,543</u>	<u>112,364</u>
Interest paid	(35,936)	(31,012)
Tax paid	(7,167)	(11,936)
Net Operating Cash Flows	<u>13,440</u>	<u>69,416</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of subsidiaries and associates	(733)	(2,325)
Acquisition of land for property development	-	(47,520)
Interest received	6,659	9,118
Dividend received	200	761
Shares buy-back	(404)	
Proceeds from disposal of property, plant and equipment	2,048	3,509
Proceeds from disposal of investment properties	600	7,539
Proceeds from disposal of other investment	93	
Purchase of property, plant and equipment	(33,570)	(23,218)
Purchase of investment properties	(1,832)	(14,136)
Purchase of other investment	(900)	
Release/(placement) of fixed deposits	4,315	3,810
Subscription of shares by non-controlling interests	120	30
Net Investing Cash Flows	<u>(23,404)</u>	<u>(62,432)</u>

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Continued)**

	31-Dec-15 RM'000	31-Dec-14 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of bank borrowings	33,018	(30,490)
Hire purchase interests paid	(904)	(802)
Repayment of hire purchase obligations	(7,794)	(7,191)
Dividend paid to shareholders of the Company	(4,346)	(2,669)
Proceeds from issuance of shares shares	26,378	20,621
Net Financing Cash Flows	46,352	(20,531)
NET CHANGE IN CASH AND CASH EQUIVALENTS	36,388	(13,547)
EFFECT OF CHANGES IN EXCHANGE RATE	(9,286)	(2,583)
CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD	(10,539)	5,591
CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD	16,563	(10,539)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	7,011	11,223
Less: fixed deposits pledged to licensed banks	(7,011)	(10,707)
	-	516
Cash and bank balances	82,426	66,908
Bank overdrafts	(65,863)	(77,963)
	16,563	(10,539)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2014 and the accompanying notes attached to the interim financial statements)

Bina Puri Holdings Bhd
(Company No. 207184-X)
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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 2014.

A2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014.

The new / revised accounting standards, amendments to standards and interpretations that came to effect during the financial year do not have significant financial impact on the results 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 cancellations and resale of treasury shares for the current financial period.

During the period under review, the company issued 52,726,300 new ordinary shares of RM0.50 each at the average issued price ranging from RM0.50 to RMRM0.54 per share.

As at 31 December 2015, out of the total 230,638,850 issued and fully paid ordinary shares, 790,000 shares were held as treasury shares at the purchase price from RM0.47 to RM0.56 per share. The share buyback were financed by internal generated funds.

A7. Dividend paid

There was no dividend paid in the current quarter.

A8. SEGMENTAL ANALYSIS

The Group's operations comprise the following business segments:

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

31-Dec-15	Construction RM'000	Property investment and development RM'000	Quarry and readymix concrete RM'000	Polyol RM'000	Power supply RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue								
External customer	1,071,886	80,828	93,945	11,397	15,416	-		1,273,472
Inter-segment revenue	2,717		9,934			-	(12,651)	-
	<u>1,074,603</u>	<u>80,828</u>	<u>103,879</u>	<u>11,397</u>	<u>15,416</u>	<u>-</u>	<u>(12,651)</u>	<u>1,273,472</u>
Results								
Segment results	16,225	18,033	(3,365)	(252)	5,590	(29)	1,810	38,012
Investment income	1,345	23,550	-	-	-	-	(1,568)	23,327
Share of results in associates	201	711	282	-	-	(11,894)		(10,700)
Finance costs	(8,634)	(10,078)	(692)	(171)	(799)		1,568	(18,806)
Consolidated profit before taxation	<u>9,137</u>	<u>32,216</u>	<u>(3,775)</u>	<u>(423)</u>	<u>4,791</u>	<u>(11,923)</u>	<u>1,810</u>	<u>31,833</u>

A8. SEGMENTAL ANALYSIS (continued)

31-Dec-14	Construction	development	concrete	Polyol	supply	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
External customer	833,226	98,467	88,030	23,378	10,377	-		1,053,478
Inter-segment revenue	56,227	-	4,283			-	(60,510)	-
	889,453	98,467	92,313	23,378	10,377	-	(60,510)	1,053,478
Results								
Segment results	16,918	3,653	(2,659)	251	2,068	131	(1,252)	19,110
Investment income	4,159	74,541	-	-	-	75	(3,575)	75,200
Share of results in associates	(11)	527	397	-	-	(22,583)		(21,670)
Finance costs	(6,866)	(7,420)	(543)	(236)	(294)		995	(14,364)
Consolidated profit before taxation	14,200	71,301	(2,805)	15	1,774	(22,377)	(3,832)	58,276

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 2014 were as follows:

	20-Feb-16 RM'000	Changes RM'000	31-Dec-14 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	325,115	46,140	278,975

A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 31 December 2015 are as follows:

	31-Dec-15 RM'000	31-Dec-14 RM'000
Approved and not contracted for :		
- construction of power plant in Sulawesi	6,450	14,938
Approved and contracted for :		
- property, plant and equipment	423	5,096

B : Additional notes to Bursa Malaysia Securities Berhad listing requirements**B1. Review of performance**

The Group recorded revenue of RM1.3 billion for the year under review as compared to the previous corresponding year of RM1.1 billion.

The Group recorded a profit before tax of RM31.8 million for the year under review as compared to the previous corresponding year of RM58.3 million.

For the year ended 31 December 2015, the construction division recorded revenue of RM1.1 billion and profit before tax of RM9.1 million as compared to the previous corresponding year of RM889.5 million and RM14.2 million respectively. The results was mainly attributable to progressive profit recognised from projects secured, which include Melawati Mall, 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 in Kuala Lumpur, LKIM Fishery Complex in Kuching, Sarawak, KOUMS students Hostel and Sabah Ammonia Urea (Samur) in Sabah.

B1. Review of performance (continued)

The property division recorded revenue of RM80.8 million and profit before tax of RM32.2 million for the year ended 31 December 2015 as compared to the previous corresponding period of RM98.5 million and RM71.3 million respectively. This was mainly contributed from sales of development properties for The Opus at Jalan Tallala in Kuala Lumpur, Main Place Residence in USJ 21, Puri Tower in Puchong, Laman Vila in Mont. Kiara North and Jesselton View in Kota Kinabalu. The operation of The Main Place Mall in USJ 21 and the fair value adjustment on investment properties also contributed positively to the earnings of this division.

The quarry and ready mix concrete division recorded revenue of RM103.9 million and loss before tax of RM3.8 million as compared to the previous corresponding year of RM92.3 million and profit before tax of RM2.8 million respectively. The result of the division was affected by lower margin and higher maintenance costs incurred for the quarry division.

The polyol division recorded revenue of RM11.4 million as compared to the previous corresponding year of RM23.4 million. This was mainly due to lower export and local sales.

The power supply division recorded revenue of RM15.4 million from the supply of electricity power to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and profit before tax of RM4.8 million as compared to the previous corresponding year of RM10.4 million and RM1.8 million respectively. The improved revenue was mainly contributed from the new diesel power plants supply contract secured in 2014 and in operation in 2015.

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

During the quarter under review, the Group recorded revenue of RM473.6 million and profit before tax of RM23.7 million as compared to the immediate preceding quarter of RM195.1 million and RM3.1 million respectively.

The fair value adjustment of the investment properties in USJ has contributed to the improved performance for the quarter under review.

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 civil work for Rapid Steam Cracker Complex and Main Control building and laboratory building in Johor, Movenpick Hotel Resort in Terengganu, Bonus Regional Sewerage Treatment in Kuala Lumpur, 2 Blocks of 23 storey office in Johor, Melawati Mall in Gombak, Selangor, Pusat Pentadbiran Negeri Sabah 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 and plan, design and build the Fishery Complex in Kuching, Sarawak is approximately RM2.8 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 completed the Puri Tower in Puchong and handed-over to the purchasers in August 2015. Several projects were launched which include The Opus at Jalan Tallala and One Jesselton in Kota Kinabalu, Sabah. The Group would continue with other developments in Klang Valley, Johor Bahru, Pahang, Kota Bharu and East Malaysia with an estimated projected gross development value of RM3 billion. The above is expected to contribute a better profit margin for the Group in comparison to the construction business segment of the Group.

B3. Prospects (continued)

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 expected in the early of 2016.

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		Year ended	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year				
Malaysian income tax	5,024	3,910	6,986	6,213
Foreign income tax	1,277	(52)	1,532	251
- prior year				
Malaysian income tax	2,444	664	2,443	1,472
	8,745	4,522	10,961	7,936
Deferred taxation				
- current year	1,373	3,363	1,270	3,491
- prior year	-	(629.00)	-	(629)
	1,373	2,734	1,270	2,862
	10,118	7,256	12,231	10,798

B6. Status of corporate proposals

There were no pending corporate proposals except for: the proposed private placement of up to 24,234,570 new shares, representing approximately ten percent (10%) 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 30 June 2015 and 17 June 2015 respectively.

The Company had successfully placed out 16,000,000 new Bina Puri Shares pursuant to the Private Placement, which raised cumulative gross proceeds of approximately RM8 million as detailed in the table below. The Company has utilised the proceeds in the following manner:

B6. Status of corporate proposals (continued)

	Amount raised from the Private Placement (RM'000)	Amount utilised (RM'000)	Amount unutilised (RM'000)
Working capital requirements	6,346	6,346	-
Repayment of bank borrowings	1,600	1,600	-
Expenses in relation to the Private Placement	54	54	-
Total	8,000	8,000	-

B7. Group borrowings and debt securities

The group borrowings as at 31 December 2015 were as follows:

	<----- 31 December 2015 ----->			31-Dec-14
	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)	20,369	181,674	202,043	245,875
(ii) Short term loans				
- secured	3,400	-	3,400	3,800
- unsecured	75,916	-	75,916	90,787
	79,316	-	79,316	94,587
(iii) Project financing (secured)	299,523	59,933	359,456	279,434
Total borrowings	399,208	241,607	640,815	619,896

The borrowings were denominated in the following currencies :-

	<----- 31 December 2015 ----->			31-Dec-14
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	475,782	75,916	551,698	539,894
United States Dollar	61,292	-	61,292	41,777
Brunei Dollar	27,825	-	27,825	38,225
	564,899	75,916	640,815	619,896

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 proceedings were instituted by EP against BPSB and KH for RM16,834,453 plus interest thereon for loss and damages suffered by reason of KH’s repudiation of a subcontract which was awarded by KH to EP to construct the Chilled Water Loop System at the KLIA MAS Cargo Complex. BPSB denies the claim as there is no contract in existence between EP and BPSB. 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 their written submissions.

EP had duly filed their written submissions. Arbitrator had just issued new instructions / directions granting BPSB and KH up to file the respective written submissions.

BPSB has also entered into a settlement agreement with EP wherein EP has agreed with BPSB not to enforce against BPSB 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.

- (ii) 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.

The Court in Pakistan 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 Pakistani Rupee (PKR) 26,760,300,964 (RM950 million approximately based on PKR28.2 to RM1) from NHA as damages (including loss of profit), interest, cost and expenses.

Arbitration proceedings continued from 12 May 2014 until 16 May 2014 in Pakistan.

The hearing which was scheduled on 17 November 2014 was adjourned to 26th February 2015 as one of the witness was unwell.

On 26 February 2015, 3 witnesses from our side had given evidence but were not cross-examined by NHA’s lawyers. The Arbitrators have fixed 16 April and 17 April 2015 for continue hearing.

On 16 April 2015, NHA applied for adjournment and the proceedings on 16 and 17 April 2015 were adjourned to 18 August 2015 for continue hearing.

The hearing proceeded on 29 January 2016 and further fixed for continue hearing on 26 February 2016. The hearing date on 26 February 2016 was adjourned to a date to be fixed later.

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.

B8. Changes in material litigation (continued)

(ii) Puri Pakistan (Private) Limited (“BPPPL”) v National Highway Authority of Pakistan (“NHA”)

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

	31-Dec-15 RM'000	31-Dec-14 RM'000
Total retained profits/(accumulated losses)		
- realised	42,398	47,990
- unrealised	74,667	60,790
	117,065	108,780
Total share of retained profits/ (accumulated losses) of associates:		
- realised	(27,816)	(18,481)
- unrealised	-	-
	(27,816)	(18,481)
Total share of accumulated losses of jointly controlled entity		
- realised	(3,402)	(3,402)
- unrealised	-	-
	(3,402)	(3,402)
Total	85,847	86,897

B10. Dividend

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

B11. Earnings per share

	3 months ended		Year ended	
	31-Dec-15 '000	31-Dec-14 '000	31-Dec-15 '000	31-Dec-14 '000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	(466)	1,570	3,296	6,473
Weighted average number of ordinary shares (Unit):	189,885	177,912	210,765	172,807
Basic earnings per share (sen)	-0.25	0.88	1.56	3.75

(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 2014 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.