

BINA PURI HOLDINGS BHD

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016**

	3 months ended		Year ended	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	RM'000	RM'000	RM'000	RM'000
Revenue	294,482	338,413	294,482	338,413
Cost of sales	(274,641)	(317,966)	(274,641)	(317,966)
Gross profit	19,841	20,447	19,841	20,447
Other operating income	3,948	2,531	3,948	2,531
Administrative expenses	(15,487)	(15,591)	(15,487)	(15,591)
	8,302	7,387	8,302	7,387
Share of results in associates	(1,404)	(605)	(1,404)	(605)
Investment income	43	529	43	529
Finance costs	(4,394)	(4,214)	(4,394)	(4,214)
Profit before taxation	2,547	3,097	2,547	3,097
Taxation	(817)	(652)	(817)	(652)
Profit for the period	1,730	2,445	1,730	2,445
Other comprehensive (loss)/income				
- Foreign currency translation	532	(437)	532	(437)
	2,262	2,008	2,262	2,008
Profit attributable to :				
Owners of the Company	812	1,239	812	1,239
Non-controlling interests	918	1,206	918	1,206
	1,730	2,445	1,730	2,445
Total comprehensive profit attributable to :				
Owners of the Company	1,504	826	1,504	826
Non-controlling interests	758	1,182	758	1,182
	2,262	2,008	2,262	2,008
Earnings per share (sen)				
- basic	0.35	0.72	0.35	0.72
- diluted	0.35	0.72	0.35	0.72

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2015 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 MARCH 2016**

	31-Mar-16 RM'000 (Unaudited)	31-Dec-15 RM'000 (Audited)
Non-current assets		
Property, plant and equipment	166,644	175,182
Investment properties	205,112	205,112
Investment in associates	4,177	5,578
Other investments	6,998	7,069
Goodwill	14,585	14,585
Trade receivables	67,737	68,155
Land held for development	8,151	5,394
Total non-current assets	473,404	481,075
Current assets		
Inventories	26,964	27,427
Property development cost	213,777	205,467
Gross amount due from contract customers	310,171	296,841
Trade and other receivables	562,800	683,077
Tax recoverable	1,349	1,356
Fixed deposits with licensed banks	6,721	7,589
Cash and bank balances	35,635	81,006
Total current assets	1,157,417	1,302,763
Current liabilities		
Gross amount due to contract customers	13,314	20,511
Trade and other payables	613,034	721,457
Hire purchase payables	5,579	6,489
Bank borrowings	406,383	458,501
Tax payable	10,262	12,374
Total current liabilities	1,048,572	1,219,332
	108,845	83,431
	582,249	564,506
Equity		
Share capital	116,819	115,319
Treasury shares	(404)	(404)
Reserves	103,069	101,564
Shareholders' funds	219,484	216,479
Non-controlling interests	75,743	74,985
Total equity	295,227	291,464
Non-current liabilities		
Hire purchase payables	8,293	8,643
Term loans	198,430	183,417
Trade payables	68,080	68,536
Deferred tax liabilities	12,219	12,446
Total non-current liabilities	287,022	273,042
	582,249	564,506
Net assets per share (RM)	0.9394	0.9386

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2015 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

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Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016**

	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 2015	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	-		-	-	(3,550)	-	3,373	(177)	19,559	19,382
Non-controlling interest arising from additional shares issued by a subsidiary	-		-	-	-	-	-	-	120	120
Grant of share options to employees	-		-	-	-	1,277	-	1,277	-	1,277
Dividends on ordinary shares	-		-	-	-	-	(4,346)	(4,346)	-	(4,346)
Issuance of ordinary shares	24,264		227	-	-	-	-	24,491	-	24,491
Exercise of employee share options	2,099		349	-	-	(304)	-	2,144	-	2,144
Shares buy-back		(404)						(404)		(404)
Share issuance expenses	-		(257)	-	-	-	-	(257)	-	(257)
Total transactions with owners	26,363	(404)	319	-	-	973	(4,346)	22,905	120	23,025
At 31 Dec 2015	115,319	(404)	5,033	15,682	(8,153)	3,078	85,924	216,479	74,985	291,464
Total comprehensive income for the financial period					693		812	1,505	758	2,263
Issuance of ordinary shares	1,500							1,500		1,500
Dividends on ordinary shares										
Total transactions with owners	1,500	-	-	-	-	-	-	1,500	-	1,500
At 31 March 2016	116,819	(404)	5,033	15,682	(7,460)	3,078	86,736	219,484	75,743	295,227

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2015 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 31 MARCH 2016**

	31-Mar-16 RM'000	31-Mar-15 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	2,547	3,097
Adjustments for:		
Allowance for impairment loss receivables	-	15
Depreciation	3,334	3,805
Interest expense	9,757	8,141
Interest income	(642)	(588)
(Gain)/ Loss on disposal of property, plant and equipment	(1,004)	32
Property, plant and equipment written off	-	2
Loss on disposal of investments	71	-
Share of results in associates	1,404	605
Unrealised loss on foreign exchange	(678)	(835)
	<u>14,789</u>	<u>14,274</u>
Net changes in current assets	96,766	41,122
Net changes in current liabilities	(116,232)	(42,466)
	<u>(4,677)</u>	<u>12,930</u>
Interest paid	(9,563)	(7,906)
Tax paid	(2,929)	(4,992)
Net Operating Cash Flows	<u>(17,169)</u>	<u>32</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	642	588
Shares buy-back	-	(202)
Proceeds from disposal of property, plant and equipment	1,801	268
Proceeds from disposal of investment properties	-	-
Purchase of property, plant and equipment	(1,531)	(11,491)
Release/(placement) of fixed deposits	76	4,427
Net Investing Cash Flows	<u>988</u>	<u>(6,410)</u>

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016 (Continued)**

	31-Mar-16 RM'000	31-Mar-15 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of bank borrowings	(33,792)	(723)
Hire purchase interests paid	(194)	(235)
Repayment of hire purchase obligations	(1,322)	(2,427)
Proceeds from issuance of shares shares	1,500	11,281
Net Financing Cash Flows	(33,808)	7,896
NET CHANGE IN CASH AND CASH EQUIVALENTS	(49,989)	1,518
EFFECT OF CHANGES IN EXCHANGE RATE	6,725	(1,175)
CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD	1,924	(10,539)
CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD	(41,340)	(10,196)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	6,721	6,384
Less: fixed deposits pledged to licensed banks	(6,721)	(6,384)
	-	-
Cash and bank balances	35,635	64,069
Bank overdrafts	(76,975)	(74,265)
	(41,340)	(10,196)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2015 and the accompanying notes attached to the interim financial statements)

Bina Puri Holdings Bhd

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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 2015.

A2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015.

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 3,000,000 new ordinary shares of RM0.50 each at the average issued price at RM0.50 per share.

As at 31 March 2016, out of the total 233,638,850 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-Mar-16	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	Group RM'000
Revenue							
External customer	257,720	11,366	21,446	139	3,811	-	294,482
Inter-segment revenue	-		12			-	12
	<u>257,720</u>	<u>11,366</u>	<u>21,458</u>	<u>139</u>	<u>3,811</u>	<u>-</u>	<u>294,494</u>
Adjustments and eliminations							(12)
Consolidated revenue							<u>294,482</u>
Results							
Segment results	4,093	2,916	(446)	(223)	2,130	15	8,485
Adjustments and eliminations							(183)
							<u>8,302</u>
Investment income	43	-	-	-	-	-	43
Share of results in associates	(351)	-	463	-	-	(1,516)	(1,404)
Finance costs	(2,022)	(2,221)	(200)	(37)	(97)	-	(4,577)
Adjustments and eliminations							183
Consolidated profit before taxation	<u>1,763</u>	<u>695</u>	<u>(183)</u>	<u>(260)</u>	<u>2,033</u>	<u>(1,501)</u>	<u>2,547</u>

A8. SEGMENTAL ANALYSIS (continued)

31-Mar-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	Group RM'000
Revenue							
External customer	291,762	16,340	22,987	3,666	3,658	-	338,413
Inter-segment revenue	-		-			-	-
	<u>291,762</u>	<u>16,340</u>	<u>22,987</u>	<u>3,666</u>	<u>3,658</u>	<u>-</u>	<u>338,413</u>
Adjustments and eliminations							-
Consolidated revenue							<u><u>338,413</u></u>
Results							
Segment results	3,584	4,045	(905)	(140)	768	35	7,387
Adjustments and eliminations							<u>7,387</u>
Investment income	29	500	-	-	-	-	529
Share of results in associates	(166)	49	327	-	-	(815)	(605)
Finance costs	(1,997)	(1,766)	(199)	(54)	(198)		(4,214)
Consolidated profit before taxation	<u>1,450</u>	<u>2,828</u>	<u>(777)</u>	<u>(194)</u>	<u>570</u>	<u>(780)</u>	<u>3,097</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 2015 were as follows:

	20-May-16 RM'000	Changes RM'000	31-Dec-15 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	171,767	(6,484)	178,251

A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 31 March 2016 are as follows:

	31-Mar-16 RM'000	31-Dec-15 RM'000
Approved and not contracted for :		
- construction of power plant in Sulawesi	6,000	14,000
Approved and contracted for :		
- property, plant and equipment	6,857	1,708

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

The Group recorded revenue of RM294.5 million for the quarter under review as compared to the previous corresponding period of RM338.4 million

The Group recorded a profit before tax of RM2.5 million for the quarter under review as compared to the previous corresponding year of RM3.1 million.

For the quarter ended 31 March 2016, the construction division recorded revenue of RM257.7 million and profit before tax of RM1.7 million as compared to the previous corresponding period of RM291.8 million and RM1.5 million respectively. The result was mainly attributable to progressive profit recognised from projects secured, which include Rapid Steam Cracker Complex and Main Control building and laboratory building and 2 Blocks of 23 storey office Building in Johor, Movenpick Hotel Resort in Terengganu, Pusat Pentadbiran Negeri Sabah in Kota Kinabalu, Sabah, LKIM Fishery Complex in Kuching, Sarawak, Melawati Mall in Kuala Lumpur, Malaysian Embassy in Moscow, Russia and 1000 units Housing at Kg. Lugu, Brunei.

B1. Review of performance (continued)

The property division recorded revenue of RM11.4 million and profit before tax of RM0.7 million for the period ended 31 March 2016 as compared to the previous corresponding period of RM16.3 million and RM2.8 million respectively. This was mainly contributed from sales of development properties for The Opus at Jalan Tallala in Kuala Lumpur, Laman Vila in Mont. Kiara North, Jesselton View and One Jesselton in Kota Kinabalu.

The quarry and ready mix concrete division recorded revenue of RM21.5 million and loss before tax of RM0.1 million as compared to the previous corresponding period of RM23.0 million and RM0.8 million respectively. The improved performance was mainly from the expansion of the ready-mix concrete operation in Klang Valley and in Melaka.

The power supply division recorded revenue of RM3.8 million from the supply of electricity power to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and profit before tax of RM2.0 million as compared to the previous corresponding period of RM3.7 million and RM0.6 million respectively. The improved revenue was mainly contributed from the new diesel power plants supply contract secured and in operation to generate income 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 RM294.5 million and profit before tax of RM2.5 million as compared to the immediate preceding quarter of RM428.1million and RM27.7million respectively.

The profit before tax for the immediate preceding quarter was mainly contributed from the fair value adjustment of the investment properties of Main Place in USJ.

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 and 2 Blocks of 23 storey office building in Johor, Movenpick Hotel Resort in Terengganu, Bonus Regional Sewerage Treatment in Kuala Lumpur, Melawati Mall in Gombak, Selangor, Pusat Pentadbiran Negeri Sabah in Kota Kinabalu, Sabah, LKIM Fishery Complex in Kuching, Sarawak, Malaysian Embassy in Moscow, Russia and 1000 units Housing at Kg. Lugu, Brunei approximately RM1.5 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, 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 projects in Klang Valley, Johor Bahru, Pahang 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.

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. The tenure of the Power Purchase Agreement is 20 years effective from the date of commercial run of the power plant expected in 2nd quarter 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-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year				
Malaysian income tax	517	620	517	620
Foreign income tax	308	-	308	-
- prior year				
Malaysian income tax	-	(1)	-	(1)
	825	619	825	619
Deferred taxation				
- current year	(8)	33	(8)	33
- prior year	-	-	-	-
	(8)	33	(8)	33
	817	652	817	652

B6. Status of corporate proposals

There were no pending corporate proposals except for:

1. 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.

As at 31 March 2016, 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:

	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	-

2. The proposed listing of the indirect subsidiary, PT Megapower Makmur Tbk of which the application has been submitted to the Indonesia Stock Exchange on 18 April 2016 and pending approval.

B7. Group borrowings and debt securities

The group borrowings as at 31 March 2016 were as follows:

	<----- 31 March 2016 ----->			31-Dec-15
	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)	21,311	175,140	196,451	202,043
(ii) Short term loans				
- secured	3,200	-	3,200	3,400
- unsecured	77,281		77,281	75,916
	80,481	-	80,481	79,316
(iii) Project financing (secured)	304,591	23,290	327,881	360,559
Total borrowings	406,383	198,430	604,813	641,918

The borrowings were denominated in the following currencies :-

	<----- 31 March 2016 ----->			31-Dec-15
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	448,995	77,281	526,276	552,801
United States Dollar	54,584	-	54,584	61,292
Brunei Dollar	23,953	-	23,953	27,825
	527,532	77,281	604,813	641,918

B8. Changes in material litigation

1. EP Engineering Sdn. Bhd. ("EP") v Bina Puri Sdn Bhd ("BPSB") & Kris Heavy Engineering & Construction Sdn. Bhd. ("KH") (Arbitration)

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. KH requested for an extension of time to file their Reply and the Arbitration has granted KH's request up to 31 May 2016.

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.

B8. Changes in material litigation (continued)

2. 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 26 February 2015 as one of the witnesses 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 which was earlier scheduled on 18 August 2015 was adjourned due to medical condition of one of the Arbitrators. Subsequently, the hearing was fixed on 15 November 2015.

On 15 November 2015, the hearing was further postponed and fixed on 29 January 2016.

The hearing proceeded on 29 January 2016 and further fixed for continue hearing on 26 February 2016. Cross-examination of our witnesses was concluded on 2 April 2016. The next hearing date was fixed on 22 April 2016. The Arbitrator directed parties on 22 April 2016 to submit both transcripts to the arbitrators by 25 May 2016 and follow by written arguments by 30 June 2016.

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.

3. Keller (M) Sdn Bhd (“Keller”) v Ong Leong Chou & 3 Ors

Keller initiated court action against the Defendants (including Bina Puri Holdings Bhd (“BPHB”) as the 4th defendant) to claim for sub-structure related work done in respect of Melawati Mall Project. Keller is claiming against BPHB for sums amounting to approximately RM2.66 million (RM717,721.96 allegedly owed under a direct payment and a retention sum of RM1.94 million).

BPHB denies the claim as there is no contract in existence between Keller and BPHB. The alleged amount of loss suffered was by reason of Keller’s subcontract with other Defendants.

The trial commenced on 24 March 2016 and resumed on 28 April 2016, 4 May 2016, 5 May 2016 and 6 May 2016. Trial is scheduled to resume from 16 August 2016 to 18 August 2016.

According to BPHB’s Solicitors, it is unlikely that Keller will succeed in their claim against BPHB, unless determined otherwise by the Court.

B8. Changes in material litigation (continued)

4. Bina Puri Holdings Bhd (“BPHB”) v View Esteem Sdn Bhd (“VESB”)

BPHB initiated court action against VESB on 28 May 2013 for a sum of RM12,860,689.02 for payment of Interim Certificates Nos. 23 to 26R.

BPHB was allowed Summary Judgment on 19 August 2013 for the sum of RM8,809,769.87 together with interest of 5% per annum and costs and further directed the remaining sum of RM4,050,919.15 to be arbitrated. BPHB received the sum of RM8,922,176.65 on 4 October 2013.

BPHB brought an action against VESB under the Construction Industry Payment and Adjudication Act 2012 and obtained Adjudication Decision on 16 June 2015 for RM15,459,856.06 together with interest of 5% per annum and costs.

VESB filed an application for stay of execution against BPHB’s notice pursuant to section 218 of the Companies Act 1965 (“Stay”) but it was dismissed. BPHB subsequently received the sum of RM17,304,342.07 on 13 October 2015.

VESB appealed to the Court of Appeal against the above decision from High Court, amongst others, allowing the registration of the Adjudication Decision (“Appeal”). The Appeal is fixed for hearing on 30 May 2016.

In light of the development of principle in relation to Construction Industry Payment & Adjudication Act 2012, the Solicitors representing BPHB opines that it is unlikely that VESB appeal will be allowed.

BPHB served another Notice of Adjudication on 13 January 2016 against VESB under the Construction Industry Payment and Adjudication Act 2012 for the sum of RM4,625,000.00 being payment of second half of the retention sum.

The parties have submitted their respective documents to the Court, pending decision of the adjudication.

At this juncture, based on the documents presently submitted, there are cogent evidence for the BPHB’s claim against VESB to be allowed.

5. View Esteem Sdn bhd (“VESB”) v Bina Puri Holdings Bhd (“BPHB”) (“Arbitration”)

VESB initiated actions against BPHB for, amongst others, breach of contract, negligence, encroachment of neighbouring boundaries and loss of reputation at Kuala Lumpur High Court (“Court Proceedings”). BPHB has counterclaimed against VESB for sums remain unpaid under progress claim no.28 and all other sums for undervalued works, but it was subsequently stayed by the Court for reference to arbitration.

By notice of arbitration dated 31 July 2015, VESB commenced an arbitration proceeding which includes undetermined issues in the Court Proceedings. VESB is due to submit its Statement of Case on 9 June 2016.

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

	31-Mar-16 RM'000	31-Dec-15 RM'000
Total retained profits/(accumulated losses)		
- realised	41,054	44,893
- unrealised	78,198	72,506
	119,252	117,399
Total share of retained profits/ (accumulated losses) of associates:		
- realised	(29,114)	(28,073)
- unrealised	-	-
	(29,114)	(28,073)
Total share of accumulated losses of jointly controlled entity		
- realised	(3,402)	(3,402)
- unrealised	-	-
	(3,402)	(3,402)
Total	86,736	85,924

B10. Dividend

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

B11. Earnings per share

	3 months ended		Year ended	
	31-Mar-16 '000	31-Mar-15 '000	31-Mar-16 '000	31-Mar-15 '000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	812	1,239	812	1,239
Weighted average number of ordinary shares (Unit):	232,550	189,361	232,550	189,361
Basic earnings per share (sen)	0.35	0.65	0.35	0.65

(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 2015 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.