

BINA PURI HOLDINGS BHD

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

	3 months ended		Year ended	
	30-Sep-16	30-Sep-15	30-Sep-16	30-Sep-15
	RM'000	RM'000	RM'000	RM'000
Revenue	242,541	195,077	839,607	799,871
Cost of sales	(219,299)	(173,977)	(771,760)	(738,395)
Gross profit	23,242	21,100	67,847	61,476
Other operating income	3,098	2,317	9,050	7,591
Administrative expenses	(13,956)	(15,950)	(41,505)	(47,930)
	12,384	7,467	35,392	21,137
Share of results in associates	(3,958)	(945)	(6,101)	(1,579)
Finance costs	(5,217)	(3,432)	(13,654)	(11,492)
Profit before taxation	3,209	3,090	15,637	8,066
Taxation	(2,975)	(1,470)	(7,092)	(2,113)
Profit for the period	234	1,620	8,545	5,953
Other comprehensive (loss)/income				
- Foreign currency translation	(753)	(3,051)	252	(4,005)
	(519)	(1,431)	8,797	1,948
Profit attributable to :				
Owners of the Company	(1,427)	1,217	287	3,762
Non-controlling interests	1,661	403	8,258	2,191
	234	1,620	8,545	5,953
Total comprehensive profit attributable to :				
Owners of the Company	(2,423)	(1,711)	461	(96)
Non-controlling interests	1,904	280	8,336	2,044
	(519)	(1,431)	8,797	1,948
Earnings per share (sen)				
- basic	-0.61	0.64	0.12	1.83
- diluted	-0.61	0.64	0.12	1.83

(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 30 SEPTEMBER 2016

	30-Sep-16 RM'000 (Unaudited)	31-Dec-15 RM'000 (Audited)
Non-current assets		
Property, plant and equipment	172,319	175,182
Investment properties	205,112	205,112
Investment in associates	(525)	5,578
Other investments	6,998	7,069
Goodwill	14,585	14,585
Trade receivables	53,407	68,155
Land held for development	8,225	5,394
Total non-current assets	460,121	481,075
Current assets		
Inventories	19,886	27,427
Property development cost	226,307	205,467
Gross amount due from contract customers	293,098	296,841
Trade and other receivables	615,078	683,077
Tax recoverable	1,425	1,356
Fixed deposits with licensed banks	10,203	7,589
Cash and bank balances	44,058	81,006
Total current assets	1,210,055	1,302,763
Current liabilities		
Gross amount due to contract customers	55,321	20,511
Trade and other payables	644,024	721,457
Hire purchase payables	6,306	6,489
Bank borrowings	388,410	458,501
Tax payable	10,313	12,374
Total current liabilities	1,104,374	1,219,332
	105,681	83,431
	565,802	564,506
Equity		
Share capital	121,437	115,319
Treasury shares	(404)	(404)
Reserves	101,927	101,564
Shareholders' funds	222,960	216,479
Non-controlling interests	83,321	74,985
Total equity	306,281	291,464
Non-current liabilities		
Hire purchase payables	5,704	8,643
Term loans	196,582	183,417
Trade payables	44,917	68,536
Deferred tax liabilities	12,318	12,446
Total non-current liabilities	259,521	273,042
	565,802	564,506
Net assets per share (RM)	0.9180	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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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Other capital reserves RM'000	Translation reserve RM'000	Employee share option reserve RM'000	Unappropriated profit RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity 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					174		287	461	8,336	8,797
Issuance of ordinary shares	6,118		(98)	-	-	-	-	6,020	-	6,020
Dividends on ordinary shares							-	-		-
Total transactions with owners	6,118	-	(98)	-	-	-	-	6,020	-	6,020
At 30 September 2016	121,437	(404)	4,935	15,682	(7,979)	3,078	86,211	222,960	83,321	306,281

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 30 SEPTEMBER 2016**

	30-Sep-16 RM'000	30-Sep-15 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	15,637	8,066
Adjustments for:		
Allowance for impairment loss	-	122
Depreciation	11,052	10,484
Interest expense	27,705	23,796
Interest income	(3,464)	(2,514)
(Gain)/ Loss on disposal of property, plant and equipment	(1,855)	(107)
Property, plant and equipment written off	16	225
Loss on disposal of investments	71	562
Share of results in associates	6,101	1,579
Unrealised loss on foreign exchange	(2,800)	(1,591)
	<u>52,463</u>	<u>40,622</u>
Net changes in current assets	71,981	(140,056)
Net changes in current liabilities	(66,393)	99,296
	<u>58,051</u>	<u>(138)</u>
Interest paid	(27,173)	(23,160)
Tax paid	(9,138)	(7,103)
Net Operating Cash Flows	<u>21,740</u>	<u>(30,401)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	3,464	2,514
Dividend received	-	200
Shares buy-back	-	(202)
Proceeds from disposal of property, plant and equipment	5,378	625
Proceeds from disposal of other investment	-	93
Purchase of property, plant and equipment	(7,682)	(32,266)
Release/(placement) of fixed deposits	(3,065)	-
Net Investing Cash Flows	<u>(1,905)</u>	<u>(24,686)</u>

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016 (Continued)**

	30-Sep-16 RM'000	30-Sep-15 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of bank borrowings	(33,510)	29,975
Hire purchase interests paid	(532)	(636)
Repayment of hire purchase obligations	(5,522)	(5,229)
Dividend paid to shareholders of the Company	-	(4,346)
Proceeds from issuance of shares shares	6,019	19,902
Net Financing Cash Flows	(33,545)	39,666
NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,710)	(15,421)
EFFECT OF CHANGES IN EXCHANGE RATE	(3,149)	(11,691)
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	(14,935)	(37,651)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	10,203	6,384
Less: fixed deposits pledged to licensed banks	(10,203)	(6,384)
	-	-
Cash and bank balances	44,058	40,949
Bank overdrafts	(58,993)	(78,600)
	(14,935)	(37,651)

(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. 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 2018.

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 12,234,800 new ordinary shares of RM0.50 each at the average issued price ranging from RM0.50 to RM0.51 per share.

As at 30 September 2016, out of the total 242,873,650 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

	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
30-Sep-16							
Revenue							
External customer	690,381	63,451	72,384	694	12,697	-	839,607
Inter-segment revenue	-		12			-	12
	<u>690,381</u>	<u>63,451</u>	<u>72,396</u>	<u>694</u>	<u>12,697</u>	<u>-</u>	<u>839,619</u>
Adjustments and eliminations							(12)
Consolidated revenue							<u>839,607</u>
Results							
Segment results	8,892	22,347	(1,316)	(505)	6,270	140	35,828
Adjustments and eliminations							(436)
							<u>35,392</u>
Share of results in associates	(565)	361	691	-	-	(6,588)	(6,101)
Finance costs	(6,683)	(6,732)	(545)	(85)	(1,851)		(15,896)
Adjustments and eliminations							2,242
Consolidated profit before taxation	<u>1,644</u>	<u>15,976</u>	<u>(1,170)</u>	<u>(590)</u>	<u>4,419</u>	<u>(6,448)</u>	<u>15,637</u>

A8. SEGMENTAL ANALYSIS (continued)

30-Sep-15	Construction RM'000	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	645,957	57,210	76,199	9,377	11,128	-	799,871
Inter-segment revenue	2,003		2,211			-	4,214
	<u>647,960</u>	<u>57,210</u>	<u>78,410</u>	<u>9,377</u>	<u>11,128</u>	<u>-</u>	<u>804,085</u>
Adjustments and eliminations							(4,214)
Consolidated revenue							<u>799,871</u>
Results							
Segment results	8,559	12,087	(1,080)	(90)	1,618	43	21,137
Adjustments and eliminations							-
							<u>21,137</u>
Share of results in associates	(166)	488	567	-	-	(2,468)	(1,579)
Finance costs	(5,111)	(5,109)	(535)	(132)	(605)		(11,492)
Consolidated profit before taxation	<u>3,282</u>	<u>7,466</u>	<u>(1,048)</u>	<u>(222)</u>	<u>1,013</u>	<u>(2,425)</u>	<u>8,066</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:

	22-Nov-16 RM'000	Changes RM'000	31-Dec-15 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	167,515	(10,736)	178,251

A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 30 September 2016 are as follows:

	30-Sep-16 RM'000	31-Dec-15 RM'000
Approved and not contracted for :		
- construction of power plant in Sulawesi	-	14,000
Approved and contracted for :		
- property, plant and equipment	6,619	1,708

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

The Group recorded revenue of RM839.6 million for the nine months ended 30 September 2016 as compared to the previous corresponding period of RM799.9 million

The Group recorded a profit before tax of RM15.6 million for the nine months ended 30 September 2016 as compared to the previous corresponding period of RM8.1 million.

For the nine months ended 30 September 2016, the construction division recorded revenue of RM690.4 million and profit before tax of RM1.6 million as compared to the previous corresponding period of RM648.0 million and RM3.3 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 RM63.5 million and profit before tax of RM16.0 million for the period ended 30 September 2016 as compared to the previous corresponding period of RM57.2 million and RM7.5 million respectively. This was mainly contributed from sales of development properties for Main Place Residence in USJ 21, 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 RM72.4 million and loss before tax of RM1.2 million as compared to the previous corresponding period of RM78.4 million and RM1.0 million respectively. The quarry division's result was affected by the non-renewal of the quarry land lease in Hulu Langat by the Selangor State Government. Nevertheless, the ready-mix concrete has recorded higher sales with operation in Klang Valley (Hulu Langat, Kajang, Melawati), Melaka and looking into expanding into other regions such as in Johor and Kedah.

The power supply division recorded revenue of RM12.7 million from the supply of electricity power to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and PLTM Bantaeng and profit before tax of RM4.4 million as compared to the previous corresponding period of RM11.1 million and RM1.0 million respectively. The improved performance was mainly contributed from the new diesel power plants supply contract secured and in operation and the mini hydro power plant with capacity of 4,200 KW in Sulawesi has commenced operation in June 2016.

The Group's share of results in associates was mainly from the 50% owned LATAR highway (Templer Interchange to Ijok Interchange) Concession Company. The revenue of the Concession Company for the nine months ended 30 September 2016 was RM46.1 million, however the results was affected by the finance costs incurred of RM43.6 million.

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

During the quarter under review, the Group recorded revenue of RM242.5 million and profit before tax of RM3.2 million as compared to the immediate preceding quarter of RM302.6 million and RM9.9 million respectively.

The profit before tax for the 2nd quarter 2016 was mainly derived from sales of development properties for Main Place Residence in USJ 21.

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 RM2 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 have been 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.

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 in June 2016.

B3. Prospects (continued)

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	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Income tax				
- current year				
Malaysian income tax	1,777	1,267	4,897	1,962
Foreign income tax	253	(26)	1,440	255
- prior year				
Malaysian income tax	746	-	746	(1)
	2,776	1,241	7,083	2,216
Deferred taxation				
- current year	199	229	9	(103)
- prior year	-	-	-	-
	199	229	9	(103)
	<u>2,975</u>	<u>1,470</u>	<u>7,092</u>	<u>2,113</u>

B6. Status of corporate proposals

There were no pending corporate proposals except for 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.

The Group is looking into participating in a resort integrated development project in Pahang through a corporate proposal.

B7. Group borrowings and debt securities

The group borrowings as at 30 September 2016 were as follows:

	<----- 30 September 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)	19,016	170,380	189,396	202,043
(ii) Short term loans				
- secured	2,575	-	2,575	3,400
- unsecured	76,127	-	76,127	75,916
	78,702	-	78,702	79,316
(iii) Project financing (secured)	290,692	26,202	316,894	360,559
Total borrowings	388,410	196,582	584,992	641,918

The borrowings were denominated in the following currencies :-

	<----- 30 September 2016 ----->			31-Dec-15
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	437,111	76,127	513,238	552,801
United States Dollar	50,418	-	50,418	61,292
Brunei Dollar	21,336	-	21,336	27,825
	508,865	76,127	584,992	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 are 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.

Written Submissions have been filed by both, EP and KH, pending BPSB to file Written Submission by mid January 2017 before award to be delivered by the Arbitrator.

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 Court 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 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.

The arbitration proceeding has been completed, pending parties to submit their transcripts and written arguments before award to be delivered by the Arbitrator.

The estimated maximum exposure to liabilities is minimal as no counter-claim was filed by NHA against BPPPL. The exposure to liability would be in terms of cost and expenses incurred in bringing the matter to arbitration, including commitment to the contractors and consultants engaged, both local and in Pakistan.

According to BPPPL’s Solicitors, there is more than average probability that BPPPL has a strong case with a reasonable likelihood of success.

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 and claimed against BPHB for sum of RM2.66 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 concluded on 28 September 2016. At Clarification on 22 November 2016, the Judge has requested further Written Submission to be filed by the Defendants and fixed a further Clarification on 16 January 2017.

According to BPHB’s Solicitors, it is unlikely that Keller will succeed in their claim against BPHB.

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

BPHB initiated action against VESB under the Construction Industry Payment & Adjudication Act 2012 (CIPAA) on 13 January 2016 for the retention sum and was awarded the sum of RM4,625,000.00 by the Adjudicator on 13 July 2016. The total award together with interest was RM5.039 million (Adjudication Decision). Due to non-payment, BPHB has served winding up notice against VESB.

On 16 August 2016, VESB filed an application to Stay and Set Aside the Adjudication Decision.

On 19 October 2016, BPHB’s application to enforce the Adjudication Decision was allowed for sum of RM2,668,778.96 and the remaining sum to be placed in an interest bearing account pending the disposal of the arbitration between parties.

B8. Changes in material litigation (continued)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.

The Hearing date is fixed on 17 April 2017 to 20 April 2017 and 24 April 2017 to 27 April 2017.

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

	30-Sep-16 RM'000	31-Dec-15 RM'000
Total retained profits/(accumulated losses)		
- realised	42,300	44,893
- unrealised	80,900	72,506
	123,200	117,399
Total share of retained profits/ (accumulated losses) of associates:		
- realised	(33,587)	(28,073)
- unrealised	-	-
	(33,587)	(28,073)
Total share of accumulated losses of jointly controlled entity		
- realised	(3,402)	(3,402)
- unrealised	-	-
	(3,402)	(3,402)
Total	86,211	85,924

B10. Dividend

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

B11. Earnings per share

	3 months ended		Year ended	
	30-Sep-16 '000	30-Sep-15 '000	30-Sep-16 '000	30-Sep-15 '000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	(1,427)	1,217	287	3,762
Weighted average number of ordinary shares (Unit):	234,526	191,123	236,998	205,830
Basic earnings per share (sen)	-0.61	0.64	0.12	1.83

B11. Earnings per share (continued)

(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.