

**BINA PURI HOLDINGS BHD**

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

	<b>3 months ended</b>		<b>Year ended</b>	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	RM'000	RM'000	RM'000	RM'000
Revenue	279,033	294,482	279,033	294,482
Cost of sales	(258,123)	(274,641)	(258,123)	(274,641)
Gross profit	20,910	19,841	20,910	19,841
Other operating income	3,970	3,991	3,970	3,991
Administrative expenses	(14,887)	(15,487)	(14,887)	(15,487)
	9,993	8,345	9,993	8,345
Share of results in associates	(1,812)	(1,404)	(1,812)	(1,404)
Finance costs	(4,930)	(4,394)	(4,930)	(4,394)
Profit before tax	3,251	2,547	3,251	2,547
Taxation	(1,131)	(817)	(1,131)	(817)
Profit for the period	2,120	1,730	2,120	1,730
Other comprehensive (loss)/income				
- Foreign currency translation	80	532	80	532
	2,200	2,262	2,200	2,262
<b>Profit attributable to :</b>				
Owners of the Company	626	812	626	812
Non-controlling interests	1,494	918	1,494	918
	2,120	1,730	2,120	1,730
<b>Total comprehensive profit attributable to :</b>				
Owners of the Company	664	1,504	664	1,504
Non-controlling interests	1,536	758	1,536	758
	2,200	2,262	2,200	2,262
<b>Earnings per share (sen)</b>				
- basic	0.25	0.35	0.25	0.35
- diluted	0.25	0.35	0.25	0.35

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2016 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 2017

	31-Mar-17 RM'000 (Unaudited)	31-Dec-16 RM'000 (Audited)
<b>Non-current assets</b>		
Property, plant and equipment	187,387	190,968
Investment properties	205,112	205,112
Investment in associates	9,778	9,179
Other investments	4,001	4,001
Goodwill	14,585	14,585
Trade receivables	53,055	53,005
Deferred tax assets	113	113
Land held for development	8,747	8,679
<b>Total non-current assets</b>	482,778	485,642
<b>Current assets</b>		
Inventories	1,296	1,518
Property development cost	240,278	233,226
Gross amount due from contract customers	247,110	240,284
Trade and other receivables	624,044	661,354
Tax recoverable	1,148	837
Fixed deposits with licensed banks	12,030	12,036
Cash and bank balances	61,954	59,798
<b>Total current assets</b>	1,187,860	1,209,053
<b>Current liabilities</b>		
Gross amount due to contract customers	3,777	3,685
Trade and other payables	586,430	642,018
Hire purchase payables	5,207	5,316
Bank borrowings	472,465	438,121
Tax payable	15,963	17,103
<b>Total current liabilities</b>	1,083,842	1,106,243
	104,018	102,810
	586,796	588,452
<b>Equity</b>		
Share capital	131,589	121,437
Reserves	97,343	101,555
Shareholders' funds	228,932	222,992
Non-controlling interests	82,965	81,429
<b>Total equity</b>	311,897	304,421
<b>Non-current liabilities</b>		
Hire purchase payables	4,216	5,429
Bank borrowings	197,541	204,812
Trade payables	60,416	60,997
Deferred tax liabilities	12,726	12,793
<b>Total non-current liabilities</b>	274,899	284,031
	586,796	588,452
<b>Net assets per share (RM)</b>	0.9003	0.9181

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2016 and the accompanying notes attached to the interim financial statements)

**BINA PURI HOLDINGS BHD**

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

**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Other capital reserves RM'000	Exchange reserve RM'000	Share option reserve RM'000	Distributable Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2016	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	-	-	-	-	(923)	-	1,070	147	12,526	12,673
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	(5,300)	(5,300)
Liquidation of subsidiaries	-	-	-	-	-	-	-	-	(782)	(782)
Issuance of ordinary shares	4,343	-	-	-	-	-	-	4,343	-	4,343
Exercise of employee share options	1,775	-	12	-	-	-	-	1,787	-	1,787
Disposals of treasury shares	-	404	-	-	-	-	-	404	-	404
Transaction costs of shares issue	-	-	(168)	-	-	-	-	(168)	-	(168)
Total transactions with owners	6,118	404	(156)	-	-	-	-	6,366	(6,082)	284
At 31 Dec 2016	121,437	-	4,877	15,682	(9,076)	3,078	86,994	222,992	81,429	304,421
Transfer to share capital	4,877	-	(4,877)	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	39	-	626	665	1,536	2,201
Issuance of ordinary shares	5,275	-	-	-	-	-	-	5,275	-	5,275
Total transactions with owners	5,275	-	-	-	-	-	-	5,275	-	5,275
At 31 March 2017	131,589	-	-	15,682	(9,037)	3,078	87,620	228,932	82,965	311,897

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2016 and the accompanying notes attached to the interim financial statements)

**BINA PURI HOLDINGS BHD**  
(Company No. 207184-X)

**CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

	31-Mar-17 RM'000	31-Mar-16 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	3,251	2,547
Adjustments for:		
Depreciation	3,745	3,334
Interest expense	8,160	9,757
Interest income	(1,492)	(642)
(Gain)/ Loss on disposal of property, plant and equipment	(702)	(1,004)
Loss on disposal of investments	-	71
Property, plant and equipment written off	288	-
Share of results in associates	1,813	1,404
Unrealised loss on foreign exchange	(568)	(678)
	14,495	14,789
Net changes in current assets	(6,131)	96,766
Net changes in current liabilities	(29,015)	(116,232)
	(20,651)	(4,677)
Interest paid	(8,028)	(9,563)
Tax paid	(2,672)	(2,929)
Net Operating Cash Flows	(31,351)	(17,169)
 <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Interest received	1,492	642
Dividend received	200	-
Proceeds from disposal of property, plant and equipment	1,353	1,801
Purchase of property, plant and equipment	(1,097)	(1,531)
Release/(placement) of fixed deposits	-	76
Net Investing Cash Flows	1,948	988

**CONDENSED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017 (Continued)**

	31-Mar-17 RM'000	31/Mar/16 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown/(repayment) of bank borrowings	38,763	(33,792)
Hire purchase interests paid	(132)	(194)
Repayment of hire purchase obligations	(1,321)	(1,322)
Proceeds from issuance of shares shares	5,275	1,500
Net Financing Cash Flows	42,585	(33,808)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	13,182	(49,989)
<b>EFFECT OF CHANGES IN EXCHANGE RATE</b>	100	6,725
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD</b>	(12,120)	1,924
<b>CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD</b>	1,162	(41,340)
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits with licensed banks	12,030	6,721
Less: fixed deposits pledged to licensed banks	(12,030)	(6,721)
	-	-
Cash and bank balances	61,954	35,635
Bank overdrafts	(60,792)	(76,975)
	1,162	(41,340)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2016 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 2016.

### **A2. Accounting policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2016.

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 for the current financial period except for the Company issued 11,400,000 new ordinary shares at the issued price of price ranging from RM0.415 to RM0.50 per share.

**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

	<b>Construction</b> RM'000	<b>Property investment and 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>31-Mar-17</b>							
<b>Revenue</b>							
External customer	241,171	19,964	12,343	-	5,555	-	279,033
Inter-segment revenue	-		-			-	-
	<u>241,171</u>	<u>19,964</u>	<u>12,343</u>	<u>-</u>	<u>5,555</u>	<u>-</u>	<u>279,033</u>
Adjustments and eliminations							-
Consolidated revenue							<u>279,033</u>
<b>Results</b>							
Segment results	2,641	6,446	(1,814)	(115)	2,839	(4)	9,993
Adjustments and eliminations							-
							<u>9,993</u>
Share of results in associates	262		337	-	-	(2,411)	(1,812)
Finance costs	(1,946)	(1,823)	(166)	(13)	(982)		(4,930)
							-
Consolidated profit before taxation	<u>957</u>	<u>4,623</u>	<u>(1,643)</u>	<u>(128)</u>	<u>1,857</u>	<u>(2,415)</u>	<u>3,251</u>



**A8. SEGMENTAL ANALYSIS (continued)**

<b>31-Mar-16</b>	<b>Construction</b> RM'000	<b>Property investment and 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>Revenue</b>							
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>
<b>Results</b>							
Segment results	4,136	2,916	(446)	(223)	2,130	15	8,528
Adjustments and eliminations							(183)
							<u>8,345</u>
Share of results in associates	(351)	-	463	-	-	(1,516)	(1,404)
Finance costs	(2,022)	(2,221)	(200)	(37)	(97)	-	(4,577)
Elimination							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>

**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 2016 were as follows:

	22-May-17 RM'000	Changes RM'000	31-Dec-16 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	158,406	(2,344)	160,750

**A12. Capital commitments**

Authorised capital commitments not recognised in the interim financial statements as at 31 March 2017 are as follows:

	31-Mar-17 RM'000	31-Dec-16 RM'000
Approved and contracted for :		
- property, plant and equipment	-	-

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

The Group recorded revenue of RM279.0 million for the period ended 31 March 2017 as compared to the previous corresponding period of RM294.5 million.

The Group recorded a profit before tax of RM3.3 million for the period ended 31 March 2017 as compared to the previous corresponding period of RM2.5 million.

For the period ended 31 March 2017, the construction division recorded revenue of RM241.2 million and profit before tax of RM1.0 million as compared to the previous corresponding period of RM257.7 million and RM1.8 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 and Pan Borneo Highway in Sarawak, Melawati Mall in Kuala Lumpur and Malaysian Embassy in Moscow, Russia.

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

The property division recorded revenue of RM20.0 million and profit before tax of RM4.6 million for the period ended 31 March 2017 as compared to the previous corresponding period of RM11.4 million and RM0.7 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, and rental income from Main Place Mall.

The quarry and ready mix concrete division recorded revenue of RM12.3 million and loss before tax of RM1.6 million as compared to the previous corresponding period of RM21.5 million and RM0.2 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.

The power supply division recorded revenue of RM5.6 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 RM1.9 million as compared to the previous corresponding period of RM3.8 million and RM2.1 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 period ended 31 March 2017 was RM15.1 million, however the results was affected by the finance costs incurred of RM15.0 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 RM279 million and profit before tax of RM3.3 million as compared to the immediate preceding quarter of RM210.7 million and RM11.1 million respectively.

The results for 4<sup>th</sup> quarter 2016 was mainly contributed 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 works 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, Bunus 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 and Malaysian Embassy in Moscow, Russia 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, we have started selling agricultural land in Karak. 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.

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-17	31-Mar-16	31-Mar-17	31-Mar-16
	RM'000	RM'000	RM'000	RM'000
<b>Income tax</b>				
- current year				
Malaysian income tax	865	517	865	517
Foreign income tax	250	308	250	308
- prior year				
Malaysian income tax	107	-	107	-
	1,222	825	1,222	825
<b>Deferred taxation</b>				
- current year	140	(8)	140	(8)
- prior year	(231)	-	(231)	-
	(91)	(8)	(91)	(8)
	1,131	817	1,131	817

**B6. Status of corporate proposals**

There were no pending corporate proposals except for:

- The proposed listing of the indirect subsidiary, PT Megapower Makmur Tbk Otoritas Jasa Keuangan (OJK), the Financial Supervisory Authority of Indonesia, had, vide its letter dated 22 May 2017, given its pre-approval for the application in relation to the proposed listing made to OJK.
- The proposed private placement of up to 26,128,420 new shares, representing approximately ten percent (10%) of the enlarged issued and paid-up share capital of the Company. The proposal had been approved by Bursa Malaysia and shareholders of the Company on 26 October 2016 and 28 June 2016 respectively. As at 31 March 2017, the Company had successfully placed out 11,400,000 new Bina Puri Shares pursuant to the Private Placement, which raised cumulative gross proceeds of approximately RM5.27 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	4,463	4,463	-
Repayment of bank borrowings	800	800	-
Expenses in relation to the Private Placement	12	12	-
Total	5,275	5,275	-

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 31 March 2017 were as follows:

	<----- 31 March 2017----->			31-Dec-16
	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)	30,131	186,849	216,980	222,321
(ii) Short term loans				
- secured	1,825	-	1,825	2,200
- unsecured	86,307	-	86,307	86,512
	88,132	-	88,132	88,712
(iii) Project financing (secured)	354,202	10,692	364,894	331,900
Total borrowings	472,465	197,541	670,006	642,933

The borrowings were denominated in the following currencies :-

	<----- 31 March 2017----->			31-Dec-16
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	520,234	86,307	606,541	574,636
United States Dollar	47,352	-	47,352	51,553
Brunei Dollar	16,113	-	16,113	16,744
	583,699	86,307	670,006	642,933

## 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 all Parties, pending decision of the award 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 has been concluded, pending Oral Submissions 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 4<sup>th</sup> 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. On 26 January 2017, the Court allowed Keller’s claim against the Defendants. In respect of the retention sum claimed by Keller against BPHB amounting to RM1,913,080.25, the Court dismissed this claim and found that there was no concluded contract but further ordered the claim for RM717,721.96 under the direct payment arrangement to be paid by BPHB to Keller despite payment had been made by BPHB to 3<sup>rd</sup> Defendant.

According to BPHB’s Solicitors, the Judge has erred in requiring BPHB to pay this sum first, amongst others, failed to appreciate that the direct payment arrangement is not a contract and is therefore not enforceable against BPHB. BPHB had filed a Notice of Appeal and is now fixed for Case Management on 20 June 2017.

### **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). BPHB had received the said amount on 20 October 2016.

**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 are now rescheduled on 25 July 2017 to 27 July 2017 and 11 September 2017 and 14 September 2017.

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

	31-Mar-17 RM'000	31-Dec-16 RM'000
<b>Total retained profits/(accumulated losses)</b>		
- realised	109,974	106,476
- unrealised	78,373	78,025
	188,347	184,501
<b>Total share of retained profits/ (accumulated losses) of associates:</b>		
- realised	(37,884)	(36,072)
- unrealised	-	-
	(37,884)	(36,072)
<b>Total share of accumulated losses of jointly controlled entity</b>		
- realised	(3,402)	(3,402)
- unrealised	-	-
	(3,402)	(3,402)
Less: Consolidation adjustments	(59,441)	(58,033)
<b>Total</b>	87,620	86,994

**B10. Dividend**

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

**B11. Earnings per share**

	<b>3 months ended</b>		<b>Year ended</b>	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	'000	'000	'000	'000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	626	812	626	812
Weighted average number of ordinary shares (Unit):	248,154	232,550	248,154	232,550
Basic earnings per share (sen)	0.25	0.35	0.25	0.35

**(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 2016 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.