

**BINA PURI HOLDINGS BHD**(Company No. 207184-X)  
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	3 months ended		Year ended	
	31-Mar-19	31-Mar-18	31-Mar-19 (15 months)	31-Mar-18 (15 months)*
	(unaudited)	(restated)	(unaudited)	(restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	100,292	166,571	810,152	1,264,144
Cost of sales	(83,596)	(143,513)	(686,487)	(1,130,912)
Gross profit	16,696	23,058	123,665	133,232
Other operating income	3,535	4,685	18,506	24,483
Administrative expenses	(4,053)	(15,816)	(69,408)	(105,434)
	16,178	11,927	72,763	52,281
Share of results in associates	(311)	(119)	50	1,915
Finance costs	(6,164)	(5,552)	(29,991)	(27,716)
Profit before tax	9,703	6,256	42,822	26,480
Taxation	(1,551)	(2,084)	(15,288)	(9,863)
Profit for the period	8,152	4,172	27,534	16,617
Other comprehensive (loss)/income				
- Foreign currency translation	252	6	(1,189)	(1,146)
	8,404	4,178	26,345	15,471
<b>Profit attributable to :</b>				
Owners of the Company	(344)	829	176	4,141
Non-controlling interests	8,496	3,343	27,358	12,476
	8,152	4,172	27,534	16,617
<b>Total comprehensive profit attributable to :</b>				
Owners of the Company	(117)	836	(324)	3,875
Non-controlling interests	8,521	3,342	26,669	11,596
	8,404	4,178	26,345	15,471
<b>Earnings per share (sen)</b>				
- basic	-0.09	0.32	0.06	0.42
- diluted	-0.09	0.32	0.06	0.42

\*Due to the change in the financial year end from 31 Dec 2018 to 30 June 2019, the results for the corresponding period are presented based on 15 months from 1 Jan 2017 to 31 March 2018.

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2017 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 2019

	31-Mar-19 RM'000 (Unaudited)	31-Dec-17 RM'000 (Restated)	31-Dec-16 RM'000 (Restated)
<b>Non-current assets</b>			
Property, plant and equipment	136,240	164,470	190,968
Investment properties	208,817	208,290	205,112
Investment in associates	9,083	10,752	9,179
Other investments	3,941	3,941	4,001
Goodwill	14,585	14,585	14,585
Trade receivables	25,112	42,656	53,005
Deferred tax assets	-	3	113
Land held for development	9,382	9,133	8,679
<b>Total non-current assets</b>	<u>407,160</u>	<u>453,830</u>	<u>485,642</u>
<b>Current assets</b>			
Inventories	232	707	1,518
Inventories - Property development	266,833	264,816	248,802
Gross amount due from contract customers	388,485	328,273	240,284
Trade and other receivables	457,045	598,805	661,354
Tax recoverable	1,260	1,129	837
Fixed deposits with licensed banks	10,952	13,675	12,036
Cash and bank balances	13,693	37,314	59,798
<b>Total current assets</b>	<u>1,138,500</u>	<u>1,244,719</u>	<u>1,224,629</u>
<b>Current liabilities</b>			
Gross amount due to contract customers	-	6,887	3,685
Trade and other payables	567,866	691,799	660,724
Hire purchase payables	1,208	3,180	5,316
Bank borrowings	378,691	410,926	438,121
Tax payable	15,150	10,656	16,352
<b>Total current liabilities</b>	<u>962,915</u>	<u>1,123,448</u>	<u>1,124,198</u>
	175,585	121,271	100,431
	<u>582,745</u>	<u>575,101</u>	<u>586,073</u>
<b>Equity</b>			
Share capital	157,820	136,705	121,437
Reserves	101,636	101,960	100,198
Shareholders' funds	<u>259,456</u>	<u>238,665</u>	<u>221,635</u>
Non-controlling interests	124,709	99,480	80,407
<b>Total equity</b>	<u>384,165</u>	<u>338,145</u>	<u>302,042</u>
<b>Non-current liabilities</b>			
Hire purchase payables	975	2,635	5,429
Bank borrowings	173,148	180,366	204,812
Trade payables	18,923	43,776	60,997
Deferred tax liabilities	5,534	10,179	12,793
<b>Total non-current liabilities</b>	<u>198,580</u>	<u>236,956</u>	<u>284,031</u>
	582,745	575,101	586,073
<b>Net assets per share (RM)</b>	0.6791	0.8933	0.9126

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2017 and the accompanying notes attached to the interim financial statements)

## BINA PURI HOLDINGS BHD

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

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Share capital 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 Jan 2017 - As previously reported	121,437	4,877	15,682	(9,076)	3,078	86,994	222,992	81,429	304,421
Effect on adoption of MFRS	-	-	-	-	-	(1,357)	(1,357)	(1,022)	(2,379)
At 1 Jan 2017 - As restated	121,437	4,877	15,682	(9,076)	3,078	85,637	221,635	80,407	302,042
Total comprehensive income for the period									
As previously reported	-	-	-	(273)	-	3,099	2,826	8,095	10,921
Effect on adoption of MFRS	-	-	-	-	-	213	213	159	372
As restated	-	-	-	(273)	-	3,312	3,039	8,254	11,293
Changes in ownership interests in subsidiary	-	-	-	-	-	3,600	3,600	10,819	14,419
Transition to no-par value regime	4,877	(4,877)	-	-	-	-	-	-	-
Issuance of ordinary shares	10,391	-	-	-	-	-	10,391	-	10,391
Total transactions with owners	15,268	(4,877)	-	-	-	3,600	13,991	10,819	24,810
<b>At 31 Dec 2017 - As re-stated</b>	<b>136,705</b>	<b>-</b>	<b>15,682</b>	<b>(9,349)</b>	<b>3,078</b>	<b>92,549</b>	<b>238,665</b>	<b>99,480</b>	<b>338,145</b>
At 31 Dec 2017 - As previously reported	136,705	-	15,682	(9,349)	3,078	93,693	239,809	100,343	340,152
Effect on adoption of MFRS						(1,144)	(1,144)	(863)	(2,007)
At 31 Dec 2017 - As restated	136,705	-	15,682	(9,349)	3,078	92,549	238,665	99,480	338,145
Total comprehensive income for the period				(500)		176	(324)	26,669	26,345
Issuance of ordinary shares	21,115	-	-	-	-	-	21,115	-	21,115
Dividend paid to non-controlling interests								(1,440)	(1,440)
Total transactions with owners	21,115	-	-	-	-	-	21,115	(1,440)	19,675
<b>At 31 March 2019</b>	<b>157,820</b>	<b>-</b>	<b>15,682</b>	<b>(9,849)</b>	<b>3,078</b>	<b>92,725</b>	<b>259,456</b>	<b>124,709</b>	<b>384,165</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2017 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 2019**

	31-Mar-19 RM'000 (Unaudited)	31-Dec-17 RM'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	42,822	20,224
Adjustments for:		
Depreciation	15,390	15,302
Interest expense	43,165	16,251
Interest income	(7,885)	(3,676)
(Gain)/ Loss on disposal of property, plant and equipment	(2,588)	(2,801)
Impairment loss	-	27,740
Property, plant and equipment written off	6	360
Fair value adjustment for investment properties	(600)	-
Share of results in associates	(50)	(2,034)
Unrealised loss on foreign exchange	2,172	283
	92,432	71,649
Net changes in current assets	94,438	(52,329)
Net changes in current liabilities	(139,435)	17,536
	47,435	36,856
Interest paid	(43,165)	(16,251)
Tax paid	(10,977)	(15,630)
Net Operating Cash Flows	(6,707)	4,975
 <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Interest received	7,885	3,676
Dividend received	400	-
Proceed from dilution of interest in subsidiary	-	14,419
Proceeds from disposal of property, plant and equipment	12,004	5,627
Proceeds from disposal of investment	900	60
Purchase of property, plant and equipment	(4,539)	(5,685)
Release/(placement) of fixed deposits	2,684	(1,639)
Net Investing Cash Flows	19,334	16,458

**CONDENSED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (Continued)**

	31-Mar-19 RM'000 (Unaudited)	31-Dec-17 RM'000 (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown/(repayment) of bank borrowings	(130,233)	(28,508)
Repayment of hire purchase obligations	(3,632)	(4,930)
Dividend paid to non-controlling interests	(1,440)	-
Proceeds from issuance of shares shares	21,116	10,391
Net Financing Cash Flows	(114,189)	(23,047)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(101,562)</b>	<b>(1,614)</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATE</b>	<b>1,404</b>	<b>2,263</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD</b>	<b>(12,345)</b>	<b>(12,994)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD</b>	<b>(112,503)</b>	<b>(12,345)</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits with licensed banks	10,952	13,675
Less: fixed deposits pledged to licensed banks	(10,952)	(13,675)
	-	-
Cash and bank balances	13,693	37,314
Bank overdrafts	(126,196)	(49,659)
	(112,503)	(12,345)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2017 and the accompanying notes attached to the interim financial statements)

## NOTES TO THE INTERIM FINANCIAL REPORT

### A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirement of FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market 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 2017.

### A2. Accounting policies

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.

The Group and the Company which are Transitioning Entities have adopted the MFRS framework and their first MFRSs financial statements using the MFRSs framework effective 1 January 2018.

The effect on the adoption of MFRS framework as follows:

#### **MFRS 1: First time adoption of MFRS**

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs have always been applied.

#### **MFRS 9: Financial Instruments**

MFRS 9 introduces an approach for classification and measurement of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments and expected-loss impairment model that will require more timely recognition of expected credit losses which replaces the "incurred loss" model in MFRS 139.

#### **MFRS 15: Revenue from Contract**

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- (i) identify the contracts with a customer;
- (ii) identify the performance obligation in the contract;
- (iii) determine the transaction price;
- (iv) allocate the transaction price to the performance obligations in the contract; and
- (v) recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

## A2. Accounting policies (continued)

The following MFRSs and IC Interpretations will be withdrawn on the application of MFRS 15:

MFRS 111	Construction Contracts
MFRS 118	Revenue
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 131	Revenue – Barter Transactions Involving Advertising Services

The impact of the adoption of the MFRSs and amendment to MFRSs to the Group's reported financial position and comprehensive income statement are disclosed in the following table.

### (a) Impact on Statement of Comprehensive Income

31-Dec-17	3 months ended			Year ended		
	As previously reported RM'000	Effect of MFRSs RM'000	As restated RM'000	As previously reported RM'000	Effect of MFRSs RM'000	As restated RM'000
Revenue	316,126	(110)	316,016	1,097,330	243	1,097,573
Cost of sales	(269,036)	(2,021)	(271,057)	(983,077)	(4,322)	(987,399)
Gross profit	47,090	(2,131)	44,959	114,253	(4,079)	110,174
Other operating income	10,829		10,829	19,798		19,798
Administrative expenses	(48,722)	2,063	(46,659)	(94,187)	4,569	(89,618)
	9,197	(68)	9,129	39,864	490	40,354
Share of results in associates	4,838		4,838	2,034		2,034
Finance costs	(5,319)		(5,319)	(22,164)		(22,164)
Profit before tax	8,716	(68)	8,648	19,734	490	20,224
Taxation	(3,394)	16	(3,378)	(7,661)	(118)	(7,779)
Profit for the period	5,322	(52)	5,270	12,073	372	12,445
Other comprehensive (loss)/income						
- Foreign currency translation	(476)		(476)	(1,152)		(1,152)
	4,846	(52)	4,794	10,921	372	11,293
<b>Profit attributable to :</b>						
Owner of the Company	1,988	(29)	1,959	3,099	213	3,312
Non-controlling interests	3,334	(23)	3,311	8,974	159	9,133
	5,322	(52)	5,270	12,073	372	12,445
<b>Total comprehensive profit attributable to :</b>						
Owners of the Company	2,174	(29)	2,145	2,826	213	3,039
Non-controlling interests	2,672	(23)	2,649	8,095	159	8,254
	4,846	(52)	4,794	10,921	372	11,293

## A2. Accounting policies (continued)

### (b) Impact on Financial Position

	31-Dec-17 RM'000	Effect of MFRSs	31-Dec-17 RM'000	31-Dec-16 RM'000	Effect of MFRSs	31-Dec-16 RM'000
	Audited		Re-stated	Audited		Re-stated
<b>Non-current assets</b>						
Property, plant and equipment	164,470		164,470	190,968		190,968
Investment properties	208,290		208,290	205,112		205,112
Investment in associates	10,752		10,752	9,179		9,179
Other investments	3,941		3,941	4,001		4,001
Goodwill	14,585		14,585	14,585		14,585
Trade receivables	42,656		42,656	53,005		53,005
Deferred tax assets	3		3	113		113
Land held for development	9,133		9,133	8,679		8,679
<b>Total non-current assets</b>	<b>453,830</b>		<b>453,830</b>	<b>485,642</b>		<b>485,642</b>
<b>Current assets</b>						
Inventories	707		707	1,518		1,518
Inventories - Property development	-	264,816	264,816	-	248,802	248,802
Property development cost	248,993	(248,993)	-	233,226	(233,226)	-
Gross amount due from contract customers	328,273		328,273	240,284		240,284
Trade and other receivables	598,805		598,805	661,354		661,354
Tax recoverable	1,129		1,129	837		837
Fixed deposits with licensed banks	13,675		13,675	12,036		12,036
Cash and bank balances	37,314		37,314	59,798		59,798
<b>Total current assets</b>	<b>1,228,896</b>		<b>1,244,719</b>	<b>1,209,053</b>		<b>1,224,629</b>
<b>Current liabilities</b>						
Gross amount due to contract customers	6,887		6,887	3,685		3,685
Trade and other payables	673,336	18,463	691,799	642,018	18,706	660,724
Hire purchase payables	3,180		3,180	5,316		5,316
Bank borrowings	410,926		410,926	438,121		438,121
Tax payable	11,289	(633)	10,656	17,103	(751)	16,352
<b>Total current liabilities</b>	<b>1,105,618</b>		<b>1,123,448</b>	<b>1,106,243</b>		<b>1,124,198</b>
	123,278		121,271	102,810		100,431
	<b>577,108</b>		<b>575,101</b>	<b>588,452</b>		<b>586,073</b>
<b>Equity</b>						
Share capital	136,705		136,705	121,437		121,437
Reserves	103,104	(1,144)	101,960	101,555	(1,357)	100,198
Shareholders' funds	239,809		238,665	222,992		221,635
Non-controlling interests	100,343	(863)	99,480	81,429	(1,022)	80,407
<b>Total equity</b>	<b>340,152</b>		<b>338,145</b>	<b>304,421</b>		<b>302,042</b>
<b>Non-current liabilities</b>						
Hire purchase payables	2,635		2,635	5,429		5,429
Bank borrowings	180,366		180,366	204,812		204,812
Trade payables	43,776		43,776	60,997		60,997
Deferred tax liabilities	10,179		10,179	12,793		12,793
<b>Total non-current liabilities</b>	<b>236,956</b>		<b>236,956</b>	<b>284,031</b>		<b>284,031</b>
	577,108		575,101	588,452		586,073
<b>Net assets per share (RM)</b>	<b>0.8976</b>		<b>0.8933</b>	<b>0.9181</b>		<b>0.9126</b>



**A2. Accounting policies (continued)**  
(c) Impact on Cash flow Statement

	As previously reported RM'000	Effect of MFRS RM'000	As restated RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit before taxation	19,734	490	20,224
Adjustments for:			
Depreciation	15,302		15,302
Interest expense	16,251		16,251
Interest income	(3,676)		(3,676)
(Gain)/ Loss on disposal of property, plant and equipment	(2,801)		(2,801)
Impairment loss	27,740		27,740
Property, plant and equipment written off	360		360
Share of results in associates	(2,034)		(2,034)
Unrealised loss on foreign exchange	283		283
	<u>71,159</u>		<u>71,649</u>
Net changes in current assets	(52,082)	(247)	(52,329)
Net changes in current liabilities	17,779	(243)	17,536
	<u>36,856</u>		<u>36,856</u>
Interest paid	(16,251)		(16,251)
Tax paid	(15,630)		(15,630)
Net Operating Cash Flows	<u>4,975</u>		<u>4,975</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Interest received	3,676		3,676
Proceed from dilution of interest in subsidiary	14,419		14,419
Proceeds from disposal of property, plant and equipment	5,627		5,627
Proceeds from disposal of investment	60		60
Purchase of property, plant and equipment	(5,685)		(5,685)
Release/(placement) of fixed deposits	(1,639)		(1,639)
Net Investing Cash Flows	<u>16,458</u>		<u>16,458</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Drawdown/(repayment) of bank borrowings	(28,508)		(28,508)
Repayment of hire purchase obligations	(4,930)		(4,930)
Proceeds from issuance of shares shares	10,391		10,391
Net Financing Cash Flows	<u>(23,047)</u>		<u>(23,047)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,614)		(1,614)
EFFECT OF CHANGES IN EXCHANGE RATE	2,263		2,263
CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD	<u>(12,994)</u>		<u>(12,994)</u>
CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD	<u>(12,345)</u>	-	<u>(12,345)</u>

**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 114,878,900 new ordinary shares at the issued price of price ranging from RM0.171 to RM0.29 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) Quarry and ready-mix concrete
- (iv) Power supply

	<b>Construction</b> RM'000	<b>Property investment and development</b> RM'000	<b>Quarry and readymix concrete</b> RM'000	<b>Power supply</b> RM'000	<b>Others</b> RM'000	<b>Group</b> RM'000
<b>15 months from 1 Jan 18 - 31 Mar 19</b>						
<b>Revenue</b>						
External customer	467,780	274,119	47,270	20,983	-	810,152
Inter-segment revenue	-		-		-	-
	<u>467,780</u>	<u>274,119</u>	<u>47,270</u>	<u>20,983</u>	<u>-</u>	<u>810,152</u>
Adjustments and eliminations						-
Consolidated revenue						<u>810,152</u>
<b>Results</b>						
Segment results	(9,551)	82,495	(5,378)	5,444	365	73,375
Adjustments and eliminations						(612)
						<u>72,763</u>
Share of results in associates	(387)	10	427	-	-	50
Finance costs	(17,136)	(9,801)	(656)	(3,274)	(38)	(30,905)
						914
Consolidated profit before taxation	<u>(27,074)</u>	<u>72,704</u>	<u>(5,607)</u>	<u>2,170</u>	<u>327</u>	<u>42,822</u>

**A8. SEGMENTAL ANALYSIS (continued)**

	<b>Construction</b> RM'000	<b>Property investment and development</b> RM'000	<b>Quarry and readymix concrete</b> RM'000	<b>Power supply</b> RM'000	<b>Others</b> RM'000	<b>Group</b> RM'000
<b>15 months from 1 Jan 17 - 31 Mar 18</b>						
<b>Revenue</b>						
External customer	990,581	186,877	61,425	25,261	-	1,264,144
Inter-segment revenue	39,688	10,660	604	-	-	50,952
	<u>1,030,269</u>	<u>197,537</u>	<u>62,029</u>	<u>25,261</u>	<u>-</u>	<u>1,315,096</u>
Adjustments and eliminations						(50,952)
Consolidated revenue						<u>1,264,144</u>
<b>Results</b>						
Segment results	(11,519)	50,821	(5,498)	8,271	11,677	53,752
Adjustments and eliminations						(1,471)
						<u>52,281</u>
Share of results in associates	551	(173)	1,537	-	-	1,915
Finance costs	(10,555)	(10,838)	(1,604)	(4,656)	(63)	(27,716)
						-
Consolidated profit before taxation	<u>(21,523)</u>	<u>39,810</u>	<u>(5,565)</u>	<u>3,615</u>	<u>11,614</u>	<u>26,480</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 2017 were as follows:

	22-May-19 RM'000	Changes RM'000	31-Dec-17 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	144,000	(16,750)	160,750

**A12. Capital commitments**

Authorised capital commitments not recognised in the interim financial statements as at 31 March 2019 are as follows:

	31-Mar-19 RM'000	31-Dec-17 RM'000
Approved and contracted for :		
- property, plant and equipment	13,810	13,810

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

The Group recorded revenue of RM810.2 million for the 15 months ended 31 March 2019 as compared to the previous corresponding period of RM1.3 billion. The Group recorded a profit before tax of RM42.8 million for the 15 months ended 31 March 2019 as compared to the previous corresponding period of RM26.5 million. The profit was mainly contributed from sales of development properties for The Opus at Jalan Tallala in Kuala Lumpur, Jesselton View and One Jesselton projects in Kota Kinabalu and The Valley, Karak @ Bentong in Pahang.

For the financial period ended 31 March 2019, the construction division recorded revenue of RM467.8 million and loss before tax of RM27.1 million as compared to the previous corresponding period of RM1.0 billion and RM21.5 million respectively.

The revenue in the current period was lower due to reduce volume of construction works.

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

The property division recorded revenue of RM274.1 million and profit before tax of RM72.7 million for the financial period ended 31 March 2019 as compared to the previous corresponding period of RM197.5million and RM39.8 million respectively. This was mainly contributed from sales of development properties for The Opus at Jalan Tallala in Kuala Lumpur, Jesselton View and One Jesselton projects in Kota Kinabalu, The Valley, Karak @ Bentong in Pahang and rental income from Main Place Mall.

The quarry and ready mix concrete division recorded revenue of RM47.3 million and loss before tax of RM5.6million as compared to the previous corresponding period of RM62.0 million and RM5.6 million respectively.

The power supply division recorded revenue of RM21.0 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 RM2.2 million as compared to the previous corresponding period of RM25.3 million and profit of RM3.6 million. The lower profit for the 15 months ended 31 March 2019 was due to unrealized foreign exchange loss of RM2.2 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 RM100.3million and profit before tax of RM9.7 million as compared to the immediate preceding quarter of RM183.0 million and RM13.1 million respectively.

The revenue in the current period was lower due to reduce volume of construction works.

## **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, a package of Pan Borneo Highway in Sarawak, and Malaysian Embassy in Moscow, Russia approximately RM700 million, which is expected to provide a steady stream of revenue for the Group over the next two to three years.

The Lakehill development project in Johor was launched for sales in 2<sup>nd</sup> quarter 2018 and we plan to have more launches in 2019. Based on the current sales achieved todate for the property development division, the unbilled sales would amount to about RM142 million. 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 RM1.6 billion.

Our subsidiary BP Energy Sdn Bhd is still engaging with the relevant parties to finalize the Power Purchase Agreement and also on the financial close.

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-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
<b>Income tax</b>				
- current year				
Malaysian income tax	1,705	1,990	15,611	9,166
Foreign income tax	(591)		(305)	990
- prior year				
Malaysian income tax	34		34	1,801
	1,148	1,990	15,340	11,957
<b>Deferred taxation</b>				
- current year	145	94	(52)	(1,323)
- prior year	258		-	(771)
	403	94	(52)	(2,094)
	1,551	2,084	15,288	9,863

**B6. Status of corporate proposals**

There were no pending corporate proposals except for: the proposed establishment of a new share issuance scheme of up to 15% of the enlarged number issued shares (excluding Treasury Shares, if any) at any one time over the duration of the scheme for the eligible persons. The proposal will be implemented in 2019.

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 2019 were as follows:

	<----- 31 Mar 2019----->			31-Dec-17
	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)	87,876	88,150	176,026	195,612
(ii) Short term loans				
- secured	-	-	-	400
- unsecured	59,083	-	59,083	90,438
	59,083	-	59,083	90,838
(iii) Project financing (secured)	231,732	84,998	316,730	304,842
Total borrowings	378,691	173,148	551,839	591,292

## B7. Group borrowings and debt securities

The borrowings were denominated in the following currencies :-

	<----- 31 Mar 2019----->			31-Dec-17
	Secured	Unsecured	Total	Total
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	450,015	59,083	509,098	536,996
United States Dollar	26,805	-	26,805	31,697
Indonesian Rupiah	4,271	-	4,271	8,412
Brunei Dollar	11,665	-	11,665	14,187
	<hr/>	<hr/>	<hr/>	<hr/>
	492,756	59,083	551,839	591,292

## B8. Changes in material litigation

(i) **BK Burn & Ong Sdn Bhd v UEM-Bina Puri JV, UEM Construction Sdn Bhd and BPSB (“JV”) (“Arbitration”)**

A statement of case was filed by BK Burn against the JV on 16 June 2017 due to the wrongful termination of BK Burn’s appointment as consultant for development of the new Low Cost Carrier (LCC) Terminal at Kuala Lumpur International Airport for an alleged amount of RM7.90 million for loss and damage and loss of profit, including 5% incentive payment for any commercial settlement.

The JV contended, *inter-alia*, that there is no agreement of the alleged 5% incentive payment, the termination is valid and no further payments are due and owing to BK Burn.

The Hearing has been concluded on 1 March 2019 and BK Burn was directed to file and serve Written Submission by 17 June 2019. According to JV’s solicitors, there is a good chance of defending this claim.

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

BPPPL filed an application on 28 September 2012 under Section 20 of the Arbitration Act 1940 before the High Court of Sindh for reference of a dispute to arbitration for the conversion of the existing 4-lane Karachi-Hyderabad Super Highway into 6-lane motorway due to unlawful termination of the concession agreement by NHA. The application was granted on 23 April 2013. BPPPL commenced the arbitral proceedings for a sum to PKR 26,760,300,964 (Pakistani Rupee) (approximately RM918 million based on the exchange rate of RM0.0343: PKR1 as at LPD) for loss and damage including loss of profit, interest, cost and expenses. The arbitration has been concluded.

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.



## **B8. Changes in material litigation**

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

Justice Malik (BPPPL’s arbitrator) has passed an award on 13 January 2018 for PKR25,650,745,200.00 (RM905,665,738.21). Justice Ijaz (NHA’s arbitrator) is of the view that BPPPL is entitled to some termination payments subject to be computed by a joint auditors. Due to inconsistent decision by both arbitrators, a jointly appointed umpire, Justice Muneer shall determine the dispute and deliver the final decision. However, due to health problems of the umpire, BPPPL filed an application in High Court of Sindh on 10 May 2018 for a new umpire. On 27 September 2018, the Court appointed Mr Justice (r) Nasir-ul-Nulk as an umpire and he accepted his appointment on 8 October 2018.

On 27 March 2019, the Honorable Umpire had allowed BPPPL’s claims against NHA as follows:

- (a) a declaration that the termination notice issued by NHA was unlawful repudiation and breach of the Concession Agreement; and
- (b) BPPPL shall be entitled for the actual pre-development cost and actual development.

BPPPL’s application to enforce the arbitration award to be heard in August 2019 in view of the court vacation in June and July.

### **(iii) View Esteem Sdn Bhd (“VESB”) v Bina Puri Holdings Bhd (“BPHB”) (“Arbitration”)**

Notice of Arbitration was issued in respect of Regalia project by VESB to BPHB on 31 July 2015 for an alleged amount of damages due to, amongst others, breach of contract, negligence, encroachment of neighbouring boundaries and loss of commercial reputation. BPHB counterclaimed against VESB for, amongst others, a sum exceeding RM12 million under progress claim no. 28 and certificate no. 26R including interest and costs.

A Settlement Agreement was entered into by the Parties on 24 April 2019.

### **(iv) Conaire Engineering Sdn Bhd – L.L.C (“Conaire”) v (1) BPHB and (2) Pembinaan SPK Sdn Bhd (“JVCo”)**

A writ was filed at Penang High Court on 11 April 2016 by Conaire against the JVCo to enforce an Abu Dhabi’s court order at Malaysian Court pursuant to section 8 of the Reciprocal Enforcement of Judgment Act 1958 by virtue of a judgment in default of appearance which was obtained on 17 March 2015 at Abu Dhabi Court for AED20,718,854.25 (approximately RM22,430,231.61, based on the exchange rate of RM1.0826:AED1 as at LPD). On 31 October 2017, the Penang High Court directed the case to be heard at Kuala Lumpur High Court.

On 2 April 2018, the Kuala Lumpur High Court dismissed Conaire’s summary judgment application with cost of RM3,000.00 to BPHB and Pembinaan SPK Sdn Bhd, respectively and expunged the insertion of a High Court case law on the basis that it is ought to be distinguished precedent with cost of RM2,000.00 to BPHB and Pembinaan SPK Sdn Bhd, respectively. The trial concluded on 24 to 25 May 2018.

On 17 April 2019, the Court had allowed a Stay of Execution to the JVCo until the decision/disposal of the Appeal Court. The next Case Management is fixed on 30 July 2019.

According to BPHB’s solicitors, there is a more than average probability that the application by BPHB may be allowed.

## B8. Changes in material litigation

### (v) Bina Puri Mining Sdn Bhd (“BPM”) v Bukit Biru Quarry Sdn Bhd (“BBQ”)

BPM filed summons on 11 May 2015 against BBQ for a sum of RM 8,714,779.84 due to unlawful repudiation, including misrepresentation, and breach of the Quarry Operation Agreement dated 1 January 2013 entered into between BPM and BBQ. BBQ counterclaimed for a sum of RM1,412,023.79 being the alleged contract fees, insurance premium and reimbursement of commission fees.

The High Court of Miri has determined to split the trial into two tiers, firstly, liability and thereafter the quantum. Trial has concluded on 16 May 2018 and on 24 December 2018, the claim by BPM has been dismissed and the counterclaim by BBQ has been allowed.

BPM has filed appeal on 21 January 2019 and pending hearing date to be fixed. BPM’s solicitors are of the view that there is a good chance of defending this claim.

## B9. Dividend

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

## B10. Earnings per share

	3 months ended		Year ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	'000	'000	'000	'000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	(344)	829	176	4,141
Weighted average number of ordinary shares (Unit):	382,040	262,498	307,104	262,498
Basic earnings per share (sen)	-0.09	0.32	0.06	1.58
(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 new share issuance scheme at fair value, has anti-dilutive effect.

## B11. Audit report qualification

The financial statements of the Group for the year ended 31 December 2017 were not subject to any audit qualification.

## B12. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with resolution of the Directors.