

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

	<b>3 months ended</b>		<b>6 months ended</b>	
	31-Dec-19 RM'000 (Unaudited)	31-Dec-18 RM'000	31-Dec-19 RM'000 (Unaudited)	31-Dec-18 RM'000
Revenue	127,782	N/A	217,332	N/A
Cost of sales	(108,440)	N/A	(182,070)	N/A
Gross profit	19,342	N/A	35,262	N/A
Other operating income	2,941	N/A	5,853	N/A
Administrative expenses	(11,876)	N/A	(20,471)	N/A
	10,407	N/A	20,644	N/A
Share of results in associates	(6)	N/A	153	N/A
Finance costs	(3,851)	N/A	(7,901)	N/A
Profit before tax	6,550	N/A	12,896	N/A
Taxation	(1,289)	N/A	(3,514)	N/A
Profit for the period	5,261	N/A	9,382	N/A
Other comprehensive income / (loss)				
- Foreign currency translation	(132)	N/A	(138)	N/A
	5,129	N/A	9,244	N/A
<b>Profit attributable to :</b>				
Owners of the Company	152	N/A	615	N/A
Non-controlling interests	5,109	N/A	8,767	N/A
	5,261	N/A	9,382	N/A
<b>Total comprehensive profit attributable to :</b>				
Owners of the Company	17	N/A	477	N/A
Non-controlling interests	5,112	N/A	8,767	N/A
	5,129	N/A	9,244	N/A
<b>Earnings per share (sen)</b>				
- basic	0.04	N/A	0.16	N/A
- diluted	0.04	N/A	0.16	N/A

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements)

*Due to change in financial year from 31 December to 30 June, the results for the corresponding period in prior year were not presented.*

## BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	31-Dec-19 RM'000 (Unaudited)	30-Jun-19 RM'000 (Audited)
<b>Non-current assets</b>		
Property, plant and equipment	116,072	124,622
Investment properties	208,802	208,803
Goodwill	14,585	14,585
Investment in associates	8,102	7,949
Other investments	6,842	6,842
Inventory properties held for development	7,424	7,359
Trade receivables	689	689
<b>Total non-current assets</b>	362,516	370,849
<b>Current assets</b>		
Inventory properties under development	221,109	239,893
Inventories	170	147
Trade and other receivables	420,146	496,742
Contract assets	331,666	370,990
Current tax assets	511	835
Fixed deposits with licensed banks	11,213	11,173
Cash and bank balances	60,042	6,564
<b>Total current assets</b>	1,044,857	1,126,344
<b>Current liabilities</b>		
Bank borrowings	255,545	292,874
Hire purchase payables	818	1,250
Trade and other payables	500,742	591,207
Current tax liabilities	22,476	20,357
<b>Total current liabilities</b>	779,581	905,688
	265,276	220,656
	627,792	591,505
<b>Equity</b>		
Share capital	180,856	157,821
Reserves	106,237	95,719
Shareholders' funds	287,093	253,540
Non-controlling interests	121,580	113,663
<b>Total equity</b>	408,673	367,203
<b>Non-current liabilities</b>		
Bank borrowings	203,000	208,154
Hire purchase payables	95	124
Trade and other payables	1,866	1,866
Deferred tax liabilities	14,158	14,158
<b>Total non-current liabilities</b>	219,119	224,302
	627,792	591,505
<b>Net assets per share (RM)</b>	0.3757	0.6636

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for period ended 30 June 2019 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 DECEMBER 2019

	Share capital RM'000	Warrant reserve	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 2018 - As restated	136,705		(9,349)	3,078	102,037	232,471	99,480	331,951
Total comprehensive income for the period								
Profit for the period	-		-	-	462	462	33,135	33,597
Other comprehensive loss	-		(509)	-	-	(509)	(312)	(821)
	-		(509)	-	462	(47)	32,823	32,776
Issuance of ordinary shares	21,116		-	-	-	21,116	-	21,116
Dividend paid to non-controlling interests	-		-	-	-	-	(18,640)	(18,640)
Termination of share option scheme	-		-	(3,078)	3,078	-	-	
Total transactions with owners	21,116		-	(3,078)	3,078	21,116	(18,640)	2,476
<b>At 30 June 2019</b>	<b>157,821</b>		<b>(9,858)</b>	<b>-</b>	<b>105,577</b>	<b>253,540</b>	<b>113,663</b>	<b>367,203</b>
At 1 July 2019	157,821		(9,858)	-	105,577	253,540	113,663	367,203
Total comprehensive income for the period								
Profit for the period	-		-	-	615	615	8,767	9,382
Other comprehensive loss	-		(136)	-	-	(136)	-	(136)
	-		(136)	-	615	479	8,767	9,246
Issuance of ordinary shares	23,035	10,039	-	-	-	33,074	-	33,074
Dividend paid to non-controlling interests	-		-	-	-	-	(850)	(850)
Termination of share option scheme	-		-	-	-	-	-	
Total transactions with owners	23,035	10,039	-	-	-	33,074	(850)	32,224
<b>At 31 December 2019</b>	<b>180,856</b>	<b>10,039</b>	<b>(9,994)</b>	<b>-</b>	<b>106,192</b>	<b>287,093</b>	<b>121,580</b>	<b>408,673</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for period ended 30 June 2019 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 DECEMBER 2019**

	31-Dec-19 RM'000 (Unaudited)	31-Dec-18 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	12,896	N/A
Adjustments for:		
Depreciation	4,859	N/A
Interest expense	15,038	N/A
Interest income	(1,517)	N/A
Gain on disposal of property, plant and equipment	(748)	N/A
Share of results in associates	(153)	N/A
Unrealised loss on foreign exchange	614	N/A
	30,989	N/A
Net changes in current assets	143,707	N/A
Net changes in current liabilities	(95,132)	N/A
	79,564	N/A
Interest paid	(15,038)	N/A
Tax paid	(1,072)	N/A
Net Operating Cash Flows	63,454	N/A
 <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Interest received	1,517	N/A
Proceeds from disposal of property, plant and equipment	1,065	N/A
Purchase of property, plant and equipment	(1,046)	N/A
Placement of fixed deposits	(40)	N/A
Net Investing Cash Flows	1,496	N/A

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

	31-Dec-19 RM'000 (Unaudited)	31-Dec-18 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from issuance of shares	33,074	N/A
Dividend paid to non-controlling interests	(850)	N/A
Repayment of bank borrowings	(21,597)	N/A
Repayment of hire purchase obligations	(461)	N/A
Net Financing Cash Flows	<u>10,166</u>	<u>N/A</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>75,116</b>	<b>N/A</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATE</b>	<b>(141)</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD</b>	<b><u>(32,093)</u></b>	<b><u>N/A</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b><u>42,882</u></b>	<b><u>N/A</u></b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Fixed deposits with licensed banks	11,213	N/A
Less: fixed deposits pledged to licensed banks	(11,213)	N/A
	<u>-</u>	<u>N/A</u>
Cash and bank balances	60,042	N/A
Bank overdrafts	(17,160)	N/A
	<u>42,882</u>	<u>N/A</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 30 June 2019 and the accompanying notes attached to the interim financial statements)

*Due to change in financial year from 31 December to 30 June, the results for the corresponding period in prior year were not presented.*

**Bina Puri Holdings Bhd**  
(Company No. 207184-X)  
(Incorporated in Malaysia)

**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 MFRS 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 30 June 2019.

**A2. Accounting policies**

The quarterly financial statements under review have been prepared based on the same accounting policies and methods of computation adopted in the most recent Audited Financial Statements for the year ended 30 June 2019 except for the newly-issued Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRS and IC Interpretations (“IC Int.”) that are applicable to the Group for financial period beginning 1 July 2019:

Descriptions	Effective for annual periods beginning on / after
MFRS 16: <i>Leases</i>	1 January 2019
IC Interpretation 23: <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 3: <i>Previously Held Interest in a Joint Operation (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 9: <i>Prepayments Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 11: <i>Previously Held Interest in a Joint Operation (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 112: <i>Income Tax Consequences of Payments on Financial Instruments classified as Equity (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 119: <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to MFRS 123: <i>Borrowing Costs Eligible for Capitalisation (Annual Improvements to MFRS Standards 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 128: <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019

The adoption of MFRSs and IC Int. did not have a significant financial impact on the Group’s financial statements.

**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 issuance of 382,039,550 new Bina Puri Shares from the Rights Issue with warrant on 30 December 2019.

**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

	Construction		Property Development		Quarry readymix		Power Supply		Others		Group	
	31-12-19	31-12-18	31-12-19	31-12-18	31-12-19	31-12-18	31-12-19	31-12-18	31-12-19	31-12-18	31-12-19	31-12-18
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>												
External customer	100,679	N/A	100,675	N/A	10,211	N/A	5,767	N/A	-	N/A	217,332	N/A
Inter-segment revenue	-	N/A		N/A	-	N/A		N/A	-	N/A	-	N/A
	<u>100,679</u>	<u>N/A</u>	<u>100,675</u>	<u>N/A</u>	<u>10,211</u>	<u>N/A</u>	<u>5,767</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>217,332</u>	<u>N/A</u>
<b>Results</b>												
Segment results	(8,787)	N/A	28,036	N/A	(185)	N/A	1,501	N/A	79	N/A	20,644	N/A
Adjustments and eliminations	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A
	<u>(8,787)</u>	<u>N/A</u>	<u>28,036</u>	<u>N/A</u>	<u>(185)</u>	<u>N/A</u>	<u>1,501</u>	<u>N/A</u>	<u>79</u>	<u>N/A</u>	<u>20,644</u>	<u>N/A</u>
Share of results in associates	(22)	N/A	(87)	N/A	262	N/A	-	N/A	-	N/A	153	N/A
Finance costs	(3,501)	N/A	(3,461)	N/A	(140)	N/A	(793)	N/A	(6)	N/A	(7,901)	N/A
Consolidated profit before taxation	<u>(12,310)</u>	<u>N/A</u>	<u>24,488</u>	<u>N/A</u>	<u>(63)</u>	<u>N/A</u>	<u>708</u>	<u>N/A</u>	<u>73</u>	<u>N/A</u>	<u>12,896</u>	<u>N/A</u>

[TYO1]



**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 30 June 2019 were as follows:

	22-Feb-20 RM'000	Changes RM'000	30-Jun-19 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to associates	135,903	-	135,903

**A12. Capital commitments**

Authorised capital commitments not recognised in the interim financial statements as at 30 September 2019 are as follows:

	31-Dec-19 RM'000	30-Jun-19 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 RM217.3 million and a profit before tax of RM12.9 million for the 6 months ended 31 December 2019. The profit was mainly contributed from sales of development properties.

The property division recorded revenue of RM100.7 million and profit before tax of RM24.5million for the financial period ended 31 December 2019. 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 Phase 1A1 of Taman Nusa Damai (part of Lake Hill Resort City Development) Masai, Johor. In addition, rental income from Main Place Mall in USJ, Subang and Rimbun Suite and Residence in Brunei also contributed positively to the performance of the property division.

For the financial period ended 31 December 2019, the construction division recorded revenue of RM100.7 million and loss before tax of RM12.3 million. The loss before tax was mainly due to additional costs incurred for the existing completed projects, pending for finalisation of accounts.

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

The power supply division recorded revenue of RM5.8 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 RM0.7 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 RM127.8 million and profit before tax of RM6.6 million as compared to the immediate preceding quarter of RM89.6 million and RM6.3 million respectively.

**B3. Prospects**

The Group is involved in various businesses, including construction, property development, quarry and power generation. The past few years, construction and property development had been the main focus of the Group.

The Group's construction division is involved in several projects domestically and overseas. The current value of contract works in progress stands at approximately RM750 million. The Group has been constantly looking for opportunities to increase its order book through participating in tenders both locally and overseas.

The Group's property development division has several ongoing projects in Johor, Pahang, Sabah and Sarawak with an estimated GDV of RM632.8 million. One of these projects is Puri Residence, a 21.41-acre residential development comprising 384 units of double-storey houses located in Masai, Johor with an estimated GDV of RM229.5 million. Puri Residence was launched in second quarter 2018. In addition, The Valley @ Bentong is a 1,600-acre agricultural-based development comprising farms and homesteads located in Karak, Pahang with an estimated GDV of RM383.0 million, has launched its first and second phases in 2017 with an estimated GDV of RM157.0 million. The Group is currently eyeing for more launches in 2020. Based on the current sales achieved for the property development division, the unbilled sales would amount to about RM115 million. The Group is looking into participating in a resort integrated development project in Pahang through a corporate exercise.

The Group is exploring business ventures in solar and gas power supply both locally and overseas particularly in Indonesia which offers many power supply opportunities.

The Group will strive to explore new markets to broaden its revenue and clientele base and expect to perform satisfactorily in 2020.

**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		6 months ended	
	31-Dec-19 RM'000	31-Dec-18 RM'000	31-Dec-19 RM'000	31-Dec-18 RM'000
<b>Income tax</b>				
Malaysian income tax				
- current year	1,217	N/A	3,442	N/A
- prior year	72	N/A	72	N/A
	1,289	N/A	3,514	N/A
<b>Deferred taxation</b>				
- current year	-	N/A	-	N/A
- prior year	-	N/A	-	N/A
	-	N/A	-	N/A
	1,289	N/A	3,514	N/A

**B6. Status of corporate proposals**

There were no pending corporate proposals except for:

- 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.

On 17 February 2020, the Company made an offer of 114,575,000 option at the exercise price of RM0.076 per option under the scheme to the eligible persons.

- Proposed to undertake the renounceable rights issue of up to 439,345,450 new ordinary shares in Bina Puri together with up to 439,345,450 free detachable warrants in Bina Puri on the basis of 1 Rights Share together with 1 free Warrant for every 1 existing Share held by the shareholders of the Company.

The proposed rights issue with warrants was approved by the shareholders of the Company through the Extraordinary Shareholders' Meeting held on 22 October 2019.

On 11 November 2019, the Board had on even date resolved to fix the issue price of the Rights Shares at RM0.09 per Rights Share as well as the Exercise Price at RM0.10 per Warrant.

The Company had successfully issued 382,039,550 new Bina Puri Shares with gross proceeds of RM34.384 million. The Company has utilised the proceeds in the following manner:

	Amount raised from the Rights Issue (RM'000)	Amount utilised (RM'000)	Amount unutilised (RM'000)
Funding for existing property development and construction projects	22,000	19,800	2,200
Repayment of bank borrowings	5,000	5,000	-
Working capital requirements	5,984	4,200	1,784
Expenses for the Proposed Rights Issue	1,400	1,310	90
<b>Total</b>	<b>34,384</b>	<b>30,310</b>	<b>4,074</b>

The Rights Issue with Warrants has been completed following the listing and quotation of 382,039,550 Rights Shares and 382,039,550 Warrants on the Main Market of Bursa Securities on 30 December 2019.

## B7. Group borrowings and debt securities

The group borrowings as at 31 December 2019 were as follows:

	<----- 31 December 2019----->			30-Jun-19
	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)	35,037	203,000	238,037	240,503
(ii) Short term loans				
- secured	-	-	-	-
- unsecured	47,289	-	47,289	56,184
	47,289	-	47,289	56,184
(iii) Project financing (secured)	173,219	-	173,219	204,341
Total borrowings	255,545	203,000	458,545	501,028

The borrowings were denominated in the following currencies :-

	<----- 31 December 2019----->			30-Jun-19
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	377,517	47,289	424,806	463,019
United States Dollar	22,376	-	22,376	23,188
Indonesian Rupiah	1,756	-	1,756	3,301
Brunei Dollar	9,607	-	9,607	11,520
	411,256	47,289	458,545	501,028

## B8. Changes in material litigation

- **In the matter of an arbitration between BK Asiapacific (Malaysia) Sdn Bhd (formerly known as BK Burns & Ong Sdn Bhd) (“BK Burns”) v UEMC-Bina Puri JV (unincorporated joint venture), UEM Construction Sdn Bhd and Bina Puri Sdn Bhd (collectively, “UEM-BPSB JV”)**

UEM-BPSB JV is an unincorporated joint venture between UEM Construction Sdn Bhd and BPSB (on a 60:40 proportion basis). Malaysia Airport Holdings Berhad had awarded a contract to UEM-BPSB JV to carry out construction works in respect of the development of the new low cost carrier terminal at the Kuala Lumpur International Airport, Sepang. UEM-BPSB JV thereafter engaged BK Burns for provision of commercial and contractual management & advisory services.

A statement of case was filed by BK Burns against UEM-BPSB JV on 16 June 2017 for wrongful termination, claiming for an alleged amount of RM6.9 million for loss and damage and loss of profit, including 5% incentive payment for any commercial settlement. This does not include BK Burns' claim for a monthly fee effective January 2012 until completion and 5% incentive payment during this period.

UEM-BPSB JV filed its defence on 16 August 2017 which 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 Burns.

## **B8. Changes in material litigation (continued)**

The hearing for the arbitration proceedings has been concluded. BK Burns has submitted its submissions dated 8 July 2019 and UEM-BPSB JV has submitted its submissions-in-reply dated 13 September 2019.

Subsequently, BK Burns has filed its submissions-in-reply dated 22 October 2019. Pending Decision to be made.

Based on the documents available, UEM-BPSB JV's solicitors are of the view that there is a good chance of defending this claim.

- **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 (approximately RM693 million) for loss and damage including loss of profit, interest, cost and expenses. The arbitration has been concluded.

Bina Puri Pakistan commenced the arbitral proceedings on 21 October 2013 claiming for a sum of PKR26,760,300,964 (approximately RM720 million<sup>(1)</sup>) for loss and damage including loss of profit, interest, cost and expenses. NHA contended on 9 December 2013 that the termination is lawful. The arbitration has been concluded.

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.

One of the 2 arbitrators passed an award on 13 January 2018 for PKR25,650,745,200 (approximately RM690 million<sup>(1)</sup>) in favour of Bina Puri Pakistan whilst another arbitrator was of the view that Bina Puri Pakistan is entitled to termination payments to be computed by joint auditors. As the arbitrators of the arbitral proceedings differed in their decisions, a jointly appointed umpire shall determine the dispute and deliver the final decision. However, due to health problems of the appointed umpire, Bina Puri Pakistan filed an application at the High Court of Sindh for a new umpire to be appointed. On 27 September 2018, the High Court of Sindh referred the matter for decision by a new umpire, Mr Justice (R) Nasir-ul-Mulk.

On 27 March 2019, Mr Justice (R) Nasir-ul-Mulk allowed Bina Puri Pakistan's claims against NHA as follows:-

- (a) a declaration that the termination notice issued by NHA was unlawful repudiation and therefore anticipatory breach of the Concession Agreement; and
- (b) Bina Puri Pakistan shall be entitled for the actual pre-development cost and actual development costs to be determined by a Joint Auditor in accordance with the award.

**(“Adjudication Award”)**

On 6 April 2019, the Adjudication Award was filed in High Court of Sindh at Karachi to be enforced and made a rule of court.

On 25.11.2019, the Court has granted the appointment of Auditor to evaluate the claim in accordance to the Adjudication Award which currently pending conclusion. (Based on BNM's exchange rate of PKR1:RM0.0269)

## B8. Changes in material litigation (continued)

- **Conaire Engineering Sdn Bhd – L.L.C (“Conaire”) v (1) BPHB and (2) Pembinaan SPK Sdn Bhd (“SPK”) (collectively referred as “SPK-BPHB JV”)**

SPK-Bina Puri is an unincorporated joint venture between SPK and Bina Puri (on a 70:30 proportion basis) (“**SPK-BPHB JV**”). An agreement was entered into between Conaire and the SPK-BPHB JV in respect of the electromechanical and plumbing works at Phase 1, Plot 1, Area B for ‘residential, commercial and entertainment development at Al Reem Island, Abu Dhabi, UAE’. On 17 March 2015, Conaire obtained a judgment in default at the Abu Dhabi Court against SPK-BPHB JV for, amongst others, AED20,718,958.25 (approximately RM23.6 million<sup>(1)</sup>) (“**Abu Dhabi Judgment**”).

On 11 April 2016, Conaire issued and served a writ to SPK and Bina Puri to enforce the Abu Dhabi Judgment at the High Court of Pulau Pinang (“**Conaire’s Claim**”). On 31 October 2017, the High Court of Pulau Pinang directed the case to be heard at the High Court of Kuala Lumpur. Conaire thereafter applied for a summary judgement to enforce the Abu Dhabi Judgement but it was dismissed by the High Court of Kuala Lumpur. On 18 January 2019, the High Court of Kuala Lumpur allowed the Conaire’s Claim (“**High Court Judgement**”).

On 14 February 2019, SPK and Bina Puri filed an appeal at the Court of Appeal on the High Court Judgement (“**Appeal**”). On 22 February 2019, SPK and Bina Puri applied to stay the High Court Judgement pending the disposal of the Appeal (“**Stay of Execution Application**”). On 17 April 2019, the High Court of Kuala Lumpur allowed the Stay of Execution Application. On 12 September 2019, the Court of Appeal has granted SPK and Bina Puri’s notice of motion to amend the notice of appeal. The matter is fixed for Case Management on 10.3.2020.

Bina Puri’s solicitors are of the view that there is a reasonable chance of success subject to the Court of Appeal agreeing to, amongst others, that the judgment obtained by Conaire at the Abu Dhabi Court on 17 March 2015 cannot be enforced in Malaysia under the Reciprocal Enforcement of Judgments Act 1958.

Note:-

Based on BNM’s exchange rate of AED1:RM1.1399

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

BPM had filed a suit against BB Quarry on 11 May 2015, claiming for the sum of RM8,714,779.84 for the breach of the quarry operation agreement dated 1 January 2013 entered into between the parties (“**Quarry Operation Agreement**”), which includes a claim for misrepresentation. BB Quarry counter-claimed against BPM for a sum of RM1,412,023.79 being the alleged contract fees, insurance premium and reimbursement of commission fees payable by BPM pursuant to the Quarry Operation Agreement.

The Miri High Court has directed to split the trials into two tiers, firstly, liability of the parties and thereafter the computation of the quantum. The trial has been concluded on 16 May 2018. On 24 December 2018, BPM’s claim has been dismissed while the counter-claim by BB Quarry has been allowed. On 21 January 2019, BPM has filed an appeal at the Court of Appeal. The Hearing is fixed on 16 April 2020.

BPM’s solicitors are of the view that there is a reasonable chance for the appeal in the event the Court of Appeal is agreeable with the ground raised by BPM.

## **B8. Changes in material litigation (continued)**

- **Bina Puri Construction Sdn Bhd (“BPCSB”) v Genbina Sdn Bhd (“Genbina”) (“Arbitration”)**

MRCB Engineering Sdn Bhd has awarded a contract to BPCSB to carry out a relocation of water and sewerage pipelines. BPCSB thereafter engaged Genbina as the sub-contractor for the works.

Genbina had initiated an adjudication proceeding against BPCSB on 23 May 2018 for the alleged outstanding payment of works. The adjudication was opposed by BPCSB by way of set-off for backcharges, overpayment, materials supplied by BPCSB on Genbina’s behalf and liquidated damages and accordingly the obligation on BPCSB to pay the alleged outstanding sum claimed has not arisen.

The adjudicator had on 13 November 2018 awarded the following to the parties:

- (i) allowed Genbina’s claim of RM5,874,396.83;
- (ii) allowed BPCSB to set off RM2,883,579.64; and
- (iii) found that Genbina is liable for the delay but was not able to quantify the liquidated damages to be awarded in favour of BPCSB.

(collectively referred to as the “**Genbina Adjudication Decision**”).

On 17 April 2019, BPCSB obtained leave from the High Court of Shah Alam to commence arbitration against Genbina for final determination of the Genbina Adjudication Decision and an application to stay the Genbina Adjudication Decision.

On 22 April 2019, BPCSB had issued a notice of arbitration to Genbina on the basis that the amount awarded in the Genbina Adjudication Decision is not the accurate amount that ought to be paid by Genbina (“**BPCSB Arbitration**”).

On 7 December 2018, Genbina filed an application to the High Court of Kuala Lumpur for an order to enforce the Genbina Adjudication Decision and it was allowed by the High Court of Kuala Lumpur on 26 July 2019 (“**Enforcement Order**”). On 2 August 2019, BPCSB filed a notice of appeal to the Court of Appeal against the Enforcement Order (“**BPCSB Appeal 1**”).

Correspondingly, on 23 April 2019, BPCSB also filed an application to the High Court of Kuala Lumpur to stay the Genbina Adjudication Decision pending the BPCSB Arbitration. On 26 July 2019, the High Court of Kuala Lumpur dismissed BPCSB’s application and ordered that the adjudication sum shall be deposited with the Asian International Arbitration Centre pending the final determination of the BPCSB Arbitration (“**Deposit Order**”). On 2 August 2019, BPCSB filed a notice of appeal to the Court of Appeal against the Deposit Order (“**BPCSB Appeal 2**”).

On 6 August 2019, BPCSB filed 2 applications for stay of execution of the Enforcement Order and Deposit Order respectively at the High Court of Kuala Lumpur pending the determination of BPCSB Appeal 1 and BPCSB Appeal 2 (collectively, the “**BPCSB Stay Applications**”). The High Court of Kuala Lumpur granted an interim stay for both the Enforcement Order and Deposit Order pending the disposal of the BPCSB Stay Applications. On 17.1.2020, BPCSB withdrawn both BPCSB Appeal 1 and BPCSB Appeal 2 as the Parties has reached an amicable solution.

## **B9. Dividend**

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

**B10. Earnings per share**

	<b>3 months ended</b>		<b>6 months ended</b>	
	31-Dec-19 '000	31-Dec-18 '000	31-Dec-19 '000	31-Dec-18 '000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	152	N/A	615	N/A
Weighted average number of ordinary shares (Unit):	386,238	N/A	384,116	N/A
Basic earnings per share (sen)	0.04	N/A	0.16	N/A

**(b) Diluted earnings per share**

The diluted earnings per ordinary share is equivalent to the basic earnings per ordinary share. The warrant of the Company were not included in the calculation of the diluted earnings per share because they are antidilutive for the period.

**B11. Audit report qualification**

The financial statements of the Group for the period ended 30 June 2019 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.