

**BINTAI KINDEN CORPORATION BERHAD**  
(Company No:290870P)

**Unaudited Condensed Consolidated Statement Of Comprehensive Income**  
For Three Months Ended 30 June 2011

|   | QUARTER ENDED        |                      | CUMULATIVE YEAR TO DATE |                      |
|---|----------------------|----------------------|-------------------------|----------------------|
|   | 30.06.2011<br>RM'000 | 30.06.2010<br>RM'000 | 30.06.2011<br>RM'000    | 30.06.2010<br>RM'000 |
| <b>Continuing operations</b>                                    |                      |                      |                         |                      |
| Revenue   | 94,323               | 69,876               | 94,323                  | 69,876               |
| Cost of sales   | (84,916)             | (65,778)             | (84,916)                | (65,778)             |
| <b>Gross profit</b>   | <b>9,407</b>         | <b>4,098</b>         | <b>9,407</b>            | <b>4,098</b>         |
| Other income  | 4,497                | 544                  | 4,497                   | 544                  |
| Operating expenses  | (5,740)              | (4,323)              | (5,740)                 | (4,323)              |
|   | -                    | -                    | -                       | -                    |
| <b>Results from operating activities</b>                        | <b>8,164</b>         | <b>319</b>           | <b>8,164</b>            | <b>319</b>           |
| Finance income  | 114                  | 15                   | 114                     | 15                   |
| Finance costs   | (2,021)              | (1,419)              | (2,021)                 | (1,419)              |
| <b>Net finance costs</b>  | <b>(1,907)</b>       | <b>(1,404)</b>       | <b>(1,907)</b>          | <b>(1,404)</b>       |
|   | 6,257                | (1,085)              | 6,257                   | (1,085)              |
| Share of loss of associates, net of tax                         | (33)                 | (1,056)              | (33)                    | (1,056)              |
| <b>Profit/(loss) before tax</b>                                 | <b>6,224</b>         | <b>(2,141)</b>       | <b>6,224</b>            | <b>(2,141)</b>       |
| Income tax expense  | (514)                | (100)                | (514)                   | (100)                |
| <b>Profit/(loss) from continuing operations for the period</b>  | <b>5,710</b>         | <b>(2,241)</b>       | <b>5,710</b>            | <b>(2,241)</b>       |
| <b>Other comprehensive income/(loss)</b>                        |                      |                      |                         |                      |
| Fair value on available for sale financial assets               | -                    | (855)                | -                       | (855)                |
| Foreign currency translation differences for foreign operations | (187)                | (48)                 | (187)                   | (48)                 |
| <b>Other comprehensive loss for the period, net of tax</b>      | <b>(187)</b>         | <b>(903)</b>         | <b>(187)</b>            | <b>(903)</b>         |
| <b>Total comprehensive income/(loss) for the period</b>         | <b>5,523</b>         | <b>(3,144)</b>       | <b>5,523</b>            | <b>(3,144)</b>       |
| <b>Profit/(loss) attributable to: -</b>                         |                      |                      |                         |                      |
| Owners of the Company   | 4,867                | (2,490)              | 4,867                   | (2,490)              |
| Non-controlling interests                                       | 843                  | 249                  | 843                     | 249                  |
| <b>Profit/(loss) for the period</b>                             | <b>5,710</b>         | <b>(2,241)</b>       | <b>5,710</b>            | <b>(2,241)</b>       |
| <b>Total comprehensive income attributable to: -</b>            |                      |                      |                         |                      |
| Owners of the Company   | 4,680                | (3,393)              | 4,680                   | (3,393)              |
| Non-controlling interests                                       | 843                  | 249                  | 843                     | 249                  |
| <b>Total comprehensive income/(loss) for the period</b>         | <b>5,523</b>         | <b>(3,144)</b>       | <b>5,523</b>            | <b>(3,144)</b>       |
| <b>Basic earnings/(loss) per ordinary share (sen) :</b>         |                      |                      |                         |                      |
| From continuing operations                                      | 4.78                 | (2.44)               | 4.78                    | (2.44)               |

This unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2011

**BINTAI KINDEN CORPORATION BERHAD**  
(Company No:290870P)

**Unaudited Condensed Consolidated Statement of Financial Position as at 30 June 2011**

|   | <b>Unaudited</b>  | <b>Audited</b>    |
|---|-------------------|-------------------|
|   | <b>As at</b>      | <b>As at</b>      |
|   | <b>30.06.2011</b> | <b>31.03.2011</b> |
|   | <b>RM'000</b>     | <b>RM'000</b>     |
| <b>Assets</b>   |                   |                   |
| Property, plant and equipment   | 5,353             | 5,556             |
| Investment properties   | 3,364             | 7,498             |
| Investments in associates   | 150               | 183               |
| Other investments   | 2,363             | 2,349             |
| Long term receivables   | 36,203            | 36,203            |
| <b>Total Non-Current Assets</b>   | <b>47,433</b>     | <b>51,789</b>     |
| Development property expenditure  | 17,836            | 17,563            |
| Inventories   | 2,647             | 2,308             |
| Trade and other receivables   | 326,707           | 310,983           |
| Tax recoverable   | 58                | 54                |
| Cash and Bank Balances  | 60,598            | 63,231            |
| <b>Total Current Assets</b>   | <b>407,846</b>    | <b>394,139</b>    |
| <b>Total Assets</b>   | <b>455,279</b>    | <b>445,928</b>    |
| <b>Equity</b>   |                   |                   |
| Share capital   | 103,889           | 103,889           |
| Reserves  | (32,460)          | (37,140)          |
| <b>Equity attributable to owners of the Company</b>                     | <b>71,429</b>     | <b>66,749</b>     |
| <b>Non-controlling interests</b>  | <b>8,193</b>      | <b>13,569</b>     |
| <b>Total Equity</b>   | <b>79,622</b>     | <b>80,318</b>     |
| <b>Liabilities</b>  |                   |                   |
| Long term borrowings  | 25,429            | 25,604            |
| <b>Total Non-Current Liabilities</b>                                    | <b>25,429</b>     | <b>25,604</b>     |
| Provisions for warranties   | 4,312             | 4,309             |
| Trade and other payables  | 175,235           | 161,570           |
| Tax liabilities   | 6,388             | 5,732             |
| Short term borrowings   | 164,293           | 168,395           |
| <b>Total Current Liabilities</b>  | <b>350,228</b>    | <b>340,006</b>    |
| <b>Total Liabilities</b>  | <b>375,657</b>    | <b>365,610</b>    |
| <b>Total Equity and Liabilities</b>                                     | <b>455,279</b>    | <b>445,928</b>    |
| <b>Net assets per share attributable to owners of the Company (sen)</b> | <b>70</b>         | <b>66</b>         |

**This unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2011**

**Unaudited Condensed Consolidated Statement Of Cash Flows For The Three Months Ended 30 June 2011**

|  | Unaudited<br>Three Months<br>Ended<br>30.06.2011<br>RM'000 | Unaudited<br>Three Months<br>Ended<br>30.06.2010<br>RM'000 |
|--|--|--|
| <b>Cash flows from operating activities</b>  |  |  |
| Profit/(loss) before tax from:   |  |  |
| - Continuing operations  | 6,224  | (1,085)  |
| <b>Adjustments for:-</b>   |  |  |
| Non-cash items   | (2,027)  | 2,091  |
| <b>Operating profit before changes in working capital</b>  | 4,197  | 1,006  |
| Changes in receivables   | (7,830)  | (34,928)   |
| Changes in payables  | 5,351  | 26,512   |
|  | (2,479)  | (8,416)  |
| <b>Cash generated from/(used in) operations</b>  | 1,718  | (7,410)  |
| Interest paid  | (2,021)  | (2,131)  |
| Income tax paid  | (109)  | (6)  |
|  | (2,130)  | (2,137)  |
| <b>Net cash used in operating activities</b>   | (412)  | (9,547)  |
| <b>Cash flows from investing activities</b>  |  |  |
| Dividend received  | -  | 1  |
| Proceeds from disposal of investment property  | 8,317  | -  |
| Proceeds from disposal of property, plant and equipment  | -  | 162  |
| Purchase of property, plant and equipment  | (1)  | (16)   |
| Interest received  | 114  | 15   |
| Proceeds from disposal of available for sale financial assets                                      | -  | 168  |
| Acquisition of available for sales financial assets  | -  | (168)  |
| <b>Net cash flows generated from investing activities</b>  | 8,430  | 162  |
| <b>Cash flows from financing activities</b>  |  |  |
| Proceeds from short term bank borrowings   | 49,017   | 32,001   |
| Repayments of bank borrowings  | (49,512)   | (16,457)   |
| Fixed deposits pledged with financial institutions   | (907)  | -  |
| Dividend paid to non-controlling interests   | (6,145)  | -  |
| Proceeds from hire purchase payables   | -  | 2,340  |
| Repayments of hire purchase payables   | (392)  | (467)  |
| <b>Net cash flows (used in)/generated from financing activities</b>                                | (7,939)  | 17,417   |
| Net increase in cash and cash equivalents  | 79   | 8,032  |
| Effect of exchange rate fluctuations on cash held  | (437)  | (103)  |
| Cash and cash equivalents at 1 April   | 9,887  | (12,367)   |
| <b>Cash and cash equivalents at 30 June</b>  | 9,529  | (4,438)  |
| <b>Cash and cash equivalents</b>   |  |  |
| Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise: |  |  |
| Deposits, bank and cash balances   | 60,598   | 67,600   |
| Bank overdrafts  | (39,948)   | (63,003)   |
| Deposits with licensed bank pledged as security  | (11,121)   | (9,035)  |
|  | 9,529  | (4,438)  |

**This unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2011**

**BINTAI KINDEN CORPORATION BERHAD**  
(Company No.:290870P)

**Unaudited Condensed Consolidated Statement of Changes In Equity For The Three Months Ended 30 June 2011**

|   | Attributable to owners of the Company |                            |                                  |  |                                     |   | Total<br>Equity<br>RM'000 |
|---|---------------------------------------|----------------------------|----------------------------------|--|-------------------------------------|---|---------------------------|
|   | Share<br>Capital<br>RM'000            | Share<br>Premium<br>RM'000 | Translation<br>Reserve<br>RM'000 | Non-Distributable<br>Fair Value<br>Reserve<br>RM'000 | Treasury Share<br>Reserve<br>RM'000 | Distributable<br>[Accumulated<br>Profit/(Losses)]<br>RM'000 |                           |
| At 1 April 2011                           | 103,889                               | 1,142                      | 892                              | (1,898)  | (3,462)                             | (33,814)  | 80,318                    |
| Adjustment                                |                                       |                            |                                  |  |                                     | (74)  | (74)                      |
| Restated as at 1 April 2011               | 103,889                               | 1,142                      | 892                              | (1,898)  | (3,462)                             | (33,814)  | 80,244                    |
| Total comprehensive income for the period | -                                     | -                          | (187)                            | -  | -                                   | 4,867   | 5,523                     |
| Dividend paid                             | -                                     | -                          | -                                | -  | -                                   | -   | (6,145)                   |
| At 30 June 2011                           | 103,889                               | 1,142                      | 705                              | (1,898)  | (3,462)                             | (28,947)  | 79,622                    |
| At 1 April 2009                           | 103,889                               | 1,142                      | (356)                            | -  | (3,462)                             | (38,003)  | 70,366                    |
| Total comprehensive income for the period | -                                     | -                          | (48)                             | (855)  | -                                   | (2,490)   | (3,144)                   |
| At 30 June 2010                           | 103,889                               | 1,142                      | (404)                            | (855)  | (3,462)                             | (40,493)  | 67,222                    |

This unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2011

**BINTAI KINDEN CORPORATION BERHAD (290870-P)  
UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2011**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A1 Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134 (formerly known as MASB 26): Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2011.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2011.

**A2 Changes in accounting policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2011 except for the adoption of the following new and revised “FRSs” and Interpretations, and amendments to certain Standards and Interpretation:

**(a) Financial periods beginning on or after 1 July 2010**

|       |            |   |   |
|-------|------------|---|---|
| (i)   | FRS 1      | : | First-time Adoption of Financial Reporting Standards (Revised 2010) |
| (ii)  | FRS 3      | : | Business Combinations (Revised 2010)                                |
| (iii) | FRS 127    | : | Consolidated and Separate Financial Statements (Revised 2010)       |
| (iv)  | IC Int. 12 | : | Service Concession Arrangements                                     |
| (v)   | IC Int. 16 | : | Hedges of a Net Investment in a Foreign Operation                   |
| (vi)  | IC Int. 17 | : | Distributions of Non-cash Assets to Owners                          |

Amendments to FRS 2 Share-based Payment

Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 138 Intangible Assets

Amendments to IC Int. 9 Reassessment of Embedded Derivatives

**(b) Financial periods beginning on or after 1 January 2011**

IC Int. 4 Determining whether an Arrangement contains a Lease

IC Int.18 Transfers of Assets from Customers

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**A2 Changes in accounting policies (Cont'd)**

**(b) Financial periods beginning on or after 1 January 2011 (Cont'd)**

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions

Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

Other than the disclosures under the amendments to FRS 7, the adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and the presentation of the financial results of the Group.

**A3 Qualification of financial statements**

The latest audited financial statements of the Group were not subject to any audit qualification.

**A4 Seasonal or Cyclical Factors**

The Group's operations are not materially affected by any seasonal or cyclical factors in a way that the interim results under review may not correlate to the preceding year's corresponding interim results.

**A5 Nature and amount of unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period to-date.

**A6 Nature and amount of changes in estimates**

There were no significant changes in estimates that have had a material effect in the current quarter and financial period to-date.

**A7 Debt and equity securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities by the Group for the quarter under review.

**A8 Dividend paid**

No dividend was paid during the current quarter (FY2011: Nil).

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**A9 Segmental Reporting**

Business segment information of the Group for the period ended 30 June 2011 is as follows:

|   | <b>Specialised<br/>mechanical<br/>and<br/>electrical<br/>engineering<br/>services<br/>RM'000</b> | <b>Turnkey,<br/>infra &amp;<br/>C&amp;S<br/>RM'000</b> | <b>Property<br/>investment<br/>and<br/>development<br/>RM'000</b> | <b>Investment<br/>holding and<br/>others<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|--|--|---|---|-------------------------|
| Operating Revenue                                   | 94,323   | -  | -   | -   | 94,323                  |
| Adjusted EBITDA                                     | 5,753  | (114)  | 4,169   | (1,414)   | 8,394                   |
| Interest income                                     |  |  |   |   | 114                     |
| Depreciation  |  |  |   |   | (230)                   |
| Finance costs                                       |  |  |   |   | (2,021)                 |
| Share of results in associates                      |  |  |   |   | (33)                    |
| Income tax expense                                  |  |  |   |   | (514)                   |
| Non-controlling interests                           |  |  |   |   | (843)                   |
| Net profit attributable to owners<br>of the Company |  |  |   |   | <u>4,867</u>            |

**A10 Valuation of property, plant and equipment**

The valuation of property, plant and equipment has been brought forward without any amendments from the preceding year's audited annual financial statements.

**A11 Material events subsequent to the end of the interim period**

Other than the corporate proposal as mentioned in Note B8, there were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for this interim period.

**A12 Effect of changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter.

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**A13 Changes in contingent liabilities or contingent assets since the last annual balance sheet date**

As at 30 June 2011, the contingent liabilities of the Group and the Company were as follows:

|   | <b>Group<br/>RM'000</b> | <b>Company<br/>RM'000</b> |
|---|-------------------------|---------------------------|
| Corporate Guarantees given to licensed banks for banking facilities granted to subsidiaries | -                       | 500,562                   |
| Bank Guarantee by subsidiaries in respect of projects                                       | 70,965                  | -                         |
| Total as at 30 June 2011  | <u>70,965</u>           | <u>500,562</u>            |

**A14 Significant related party transactions**

The significant related party transactions, noted below, have all been undertaken within the mandate approved by the shareholders. The names of the parties referred to by initials are disclosed in full in the annual report as at 31 March 2011.

|                   | <b>Nature of<br/>transactions</b>  | <b>Current quarter<br/>ended 30.06.2011</b> | <b>Cumulative year to<br/>date 30.06.2011</b> |
|-------------------|------------------------------------|---|---|
|                   |                                    | <b>RM'000</b>                               | <b>RM'000</b>                                 |
| <u>Payable</u>    |                                    |   |   |
| OPKH              | Rental                             | 74  | 74  |
| <u>Receivable</u> |                                    |   |   |
| KBK LLC           | Working capital – interest charged | 432   | 432   |
| BKE               | Working capital                    | (50)  | (50)  |



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**Additional information required by the listing requirements of Bursa Malaysia**

**B1 Review of performance**

The Group recorded a turnover of RM94.3 million for the quarter ended 30 June 2011 compared to RM69.9 million for the corresponding quarter of the previous financial year. The profit before taxation for the current quarter was RM6.2 million compared to a loss before tax of RM2.1 million for the corresponding quarter of the previous financial year.

The turnover for the current quarter under review is higher compared to the corresponding quarter of the previous financial year principally due to a higher contribution from the overseas operations. The overall margin generated for the current quarter is higher compared to that of the corresponding quarter of the previous financial year. An increase in other income and lower share of losses in associates for the current quarter, compared to the corresponding quarter of the previous financial year, contributed to the significant improvement in the financial results for this quarter.

**B2 Material changes in the quarterly results compared to the results of the immediately preceding quarter**

The Group recorded a turnover of RM94.3 million and a profit before taxation of RM6.2 million for the current quarter compared to a turnover of RM117.1 million and a profit before taxation of RM6.5 million for the immediate preceding quarter.

In the immediate preceding quarter, the completion of various projects for the Malaysian subsidiary and the higher margin generated by those projects contributed to higher overall gross profit compared to that of the current quarter. However, for the current quarter, an increase in other income and a lower operating expenses due to non provisioning and lower share of losses in associates, contributed to a higher profit before taxation as compared to that of the immediate preceding quarter.

**B3 Prospects**

The Group is currently working on several projects in Malaysia, Singapore and Vietnam. The Group will continue to bid for projects in the region to build a healthy pipeline although we can expect pricing to be extremely competitive. Nevertheless, we are confident that we will perform satisfactorily with our current projects in hand for this financial year.

**B4 Variance of actual profit from forecast profit and shortfall in the profit guarantee**

The Group has not announced or disclosed any profit forecast or profit guarantee in a public document that relates to this interim reporting period.

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**B5 Income tax expense**

The taxation charge for the current quarter ended 30 June 2011 comprises:

|                              | Current quarter<br>ended 30.06.2011<br>RM'000 | Cumulative year<br>to date 30.06.2011<br>RM'000 |
|------------------------------|---|---|
| Current period:              |   |   |
| Taxation at foreign tax rate | 514   | 514   |
| Total tax provision          | 514   | 514   |

The tax charge for the year reflects the tax provision on the profit generated by the Singapore subsidiary.

**B6 Profit/(Loss) on sale of unquoted investments and/or properties**

There were no disposals of unquoted investments and/or properties for the quarter under review and financial year to date except for the following:-

Bintai Kinden Property & Development Sdn Bhd, a wholly-owned subsidiary of the Company completed the disposal of a piece of freehold land held under GRN 29623 Lot 9 Seksyen 87A Bandar Kuala Lumpur Daerah Kuala Lumpur Negeri Wilayah Persekutuan measuring approximately 1846.318 square meters together with a unit of single storey bungalow bearing postal address known as No. 5C, Jalan Semarak, 54100 Kuala Lumpur for a total cash consideration of RM8,545,820.

**B7 Particulars of purchase or disposal of quoted securities**

- (a) There were no purchase or disposal of quoted securities for the current quarter and financial year to date.
- (b) The details of the investments in quoted securities as at 30 June 2011 and reflected under other investments in the statement of financial position were as follows:

|   |               |
|---|---------------|
|   | <b>RM'000</b> |
| (i) Total investment at cost              | 7,222         |
| (ii) Total investment at market value     | 1,437         |
| (iii) Impairment loss made in prior years | (3,887)       |
| (iv) Fair value reserve                   | (1,898)       |

**B8 Status of corporate proposal**

The Company had on the 25 April 2011 entered into a Heads of Agreement with Lereno Bio-Chem Ltd ("LBC"), a public limited company listed on the Catalist Board of Singapore Exchange Securities Trading Limited for the proposed acquisition by LBC of 5,935,000 ordinary shares representing the Company's entire 69.82% interest in Bintai Kinden Pte Ltd ("BKPL"), for an indicative consideration of RM150,000,000.00 to be satisfied by the issuance of such number of new ordinary shares in LBC at an issue price of SGD0.005 per LBC Share and such number of free detachable warrants on a basis to be determined.

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**B8 Status of corporate proposal (Cont'd)**

On 8 July 2011, the Company, together with Biz Investment Pte Ltd ("Biz"), entered into a conditional sale and purchase agreement with LBC and BKPL for the acquisition by LBC of the entire paid-up share capital in BKPL of 8,500,000 ordinary shares for RM214,838,155 to be satisfied by the allotment and issuance of new ordinary shares and warrants in LBC to the respective vendors (subject to any post acquisition adjustments in accordance with the terms of the sale and purchase agreement) in the following manner:-

- (i) Company : Disposal consideration of RM150,000,000 to be satisfied by the issuance of 12,244,897,959 new ordinary shares in LBC at an issuance price of SGD0.005 per LBC Share together with 1,224,489,796 free warrants on the basis of one free warrant for every ten LBC Shares; and
- (ii) Biz : Disposal consideration of RM64,838,155 to be satisfied by the issuance of 5,292,910,612 new ordinary shares in LBC at an issuance price of SGD0.005 per LBC Share together with 529,291,061 free warrants on the basis of one free warrant for every ten LBC Shares.

(hereinafter referred to as the "Proposal")

At the date of this report, the Proposal has not been completed yet.

**B9 Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2011 were as follows:

|  | RM'000         |
|--|----------------|
| <b>Short Term</b>  |                |
| Overdrafts   | 39,948         |
| Revolving credit   | 41,800         |
| Term loan  | 47,659         |
| Bills payable  | 33,710         |
| Hire purchase payables                                       | 1,176          |
|  | <u>164,293</u> |
|  | <b>RM'000</b>  |
| <b>Long term</b>   |                |
| Term loan  | 24,776         |
| Hire purchase payables                                       | 653            |
|  | <u>25,429</u>  |
| <b>Currencies in which total borrowings are denominated:</b> |                |
| -Ringgit Malaysia  | 181,833        |
| -Singapore Dollar  | 3,182          |
| -Vietnamese Dong   | 4,707          |
| Total borrowings   | <u>189,722</u> |

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**B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk as at the date of this report.

**B11 Fair Value Changes of Financial Liabilities**

As at 30 June 2011, the Group does not have any financial liabilities measured at fair value through profit or loss.

**B12 Material Litigation**

There have been no changes in material litigation since the last audited financial statements for the year ended 31 March 2011 except for the following:-

An action brought against one of the Company's subsidiaries, Kejuruteraan Bintai Kindenko Sdn Bhd by Malayan Banking Berhad as the fourth defendant of a suit for an amount of RM15,770,710.18, the matter went for trial from 11 August to 12 August 2011 and decision fixed on 5 September 2011.

**B13 Dividend**

No interim dividend is being declared for the quarter under review (FY2011: Nil).

**B14 Earnings per share**

*Basic earning per share*

Basic earnings per share of the Group is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

|   | <b>Current<br/>quarter ended<br/>30.06.2011</b> | <b>Cumulative<br/>year to date<br/>30.06.2011</b> |
|---|---|---|
| Net profit attributable to owners of the Company (RM) | 4,867,000                                       | 4,867,000   |
| Weighted average number of ordinary shares in issue   | 101,891,653                                     | 101,891,653                                       |
| Basic earnings per share (sen)                        | 4.78  | 4.78  |

*Diluted earnings per share*

The calculation of diluted earnings per share of the Group is consistent with the calculation of basic earnings per share while giving effect to all dilutive potential ordinary shares that were outstanding during the period.

For the current quarter ended 30 June 2011, there was no dilutive effect and no adjustment is required to the basic earnings per share shown above.

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**B15 Disclosure of Realised and Unrealised Accumulated losses**

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realized and unrealized profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format of presentation.

The breakdown of the accumulated losses of the Group as at 30 June 2011, into realized and unrealized accumulated losses, pursuant to the directive, is as follows:

|  | As at<br>31.03.2011<br>RM'000 | As at<br>30.06.2011<br>RM'000 |
|--|-------------------------------|-------------------------------|
| Total accumulated losses of the Group:                             |                               |                               |
| - Realised   | (31,281)                      | (26,379)                      |
| - Unrealised   | (2,564)                       | (2,566)                       |
|  | (33,845)                      | (28,945)                      |
| Total share of results from associates                             |                               |                               |
| - Unrealised profit/(loss)   | 31                            | (2)                           |
|  | (33,814)                      | (28,947)                      |
| Total accumulated losses as per Statement<br>of Financial Position | (33,814)                      | (28,947)                      |

The determination of realized and unrealized profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realized and unrealized profits/(losses) above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

**B16 Disclosure on Qualification of Audit Report**

The audit report of the Group's preceding annual financial statements was not qualified.

By Order of the Board

Khoo Ming Siang  
 Company Secretary  
 Date: 25 August 2011