

BINTAI KINDEN CORPORATION BERHAD
(Company No:290870P)

Unaudited Condensed Consolidated Statement Of Comprehensive Income
For Quarter And Three Months Ended 30 June 2016

	Note	QUARTER ENDED		CUMULATIVE YEAR TO DATE	
		30.06.16 RM'000	30.06.15 RM'000	30.06.16 RM'000	30.06.15 RM'000
Continuing operations					
Revenue		156,552	86,865	156,552	86,865
Cost of sales		(139,884)	(75,846)	(139,884)	(75,846)
Gross profit		16,668	11,019	16,668	11,019
Other income		888	806	888	806
Operating expenses		(16,123)	(14,106)	(16,123)	(14,106)
Results from operating activities		1,433	(2,281)	1,433	(2,281)
Finance income		69	60	69	60
Finance costs		(1,178)	(1,047)	(1,178)	(1,047)
Net finance costs		(1,109)	(987)	(1,109)	(987)
		324	(3,268)	324	(3,268)
Share of results in jointly controlled entities		(3)	(4)	(3)	(4)
Share of results in associates		14	(156)	14	(156)
Profit/(loss) before tax		335	(3,428)	335	(3,428)
Income tax expense	B6	(50)	(5)	(50)	(5)
Profit/(loss) for the period		285	(3,433)	285	(3,433)
Other comprehensive income/(loss)					
Loss on fair value changes on available for sales financial assets		(30)	(25)	(30)	(25)
Foreign currency translation differences for foreign operations		2,372	2,426	2,372	2,426
Other comprehensive income for the period		2,342	2,401	2,342	2,401
Total comprehensive income/(loss) for the period		2,627	(1,032)	2,627	(1,032)
Income/(loss) attributable to: -					
Owners of the Company		95	(3,685)	95	(3,685)
Non-controlling interests		190	252	190	252
Profit/(loss) for the period		285	(3,433)	285	(3,433)
Total comprehensive income/(loss) attributable to: -					
Owners of the Company		2,437	(1,284)	2,437	(1,284)
Non-controlling interests		190	252	190	252
Total comprehensive income/(loss) for the period		2,627	(1,032)	2,627	(1,032)
Earnings/(loss) per share attributable to owners of the Company (sen)					
Basic	B13	0.045	(2.79)	0.045	(2.79)
Diluted	B13	0.041	(2.22)	0.041	(2.22)

This unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2016

BINTAI KINDEN CORPORATION BERHAD
(Company No:290870P)

Unaudited Condensed Consolidated Statement of Financial Position as at 30 June 2016

	Unaudited As at 30.06.2016 RM'000	Audited As at 31.03.2016 RM'000
	Note	
Assets		
Property, plant and equipment	9,550	9,510
Investment in jointly controlled entities	11,563	11,217
Investment in associates	97	217
Deferred tax assets	1,829	1,773
Other investments	2,261	2,243
Total Non-Current Assets	<u>25,300</u>	<u>24,960</u>
Property development expenditure	6,741	108
Inventories	15	-
Receivables	443,166	424,989
Tax recoverable	114	75
Cash and bank balances	48,418	37,475
	<u>498,454</u>	<u>462,647</u>
Total Assets	<u>523,754</u>	<u>487,607</u>
Equity		
Share capital	42,918	42,918
Reserves	15,798	13,361
Equity attributable to owners of the Company	<u>58,716</u>	<u>56,279</u>
Non-controlling interests	<u>23,411</u>	<u>23,221</u>
Total Equity	<u>82,127</u>	<u>79,500</u>
Liabilities		
Long term borrowings	B8 2,574	2,625
Total Non-Current Liability	<u>2,574</u>	<u>2,625</u>
Provisions	3,174	3,078
Payables	221,450	202,098
Tax liabilities	609	7,717
Short term borrowings	B8 213,820	192,589
Total Current Liabilities	<u>439,053</u>	<u>405,482</u>
Total Liabilities	<u>441,627</u>	<u>408,107</u>
Total Equity and Liabilities	<u>523,754</u>	<u>487,607</u>
Net asset per share attributable to owners of the Company (sen)	28	26

This unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2016

Unaudited Condensed Consolidated Statement Of Cash Flows For The Quarter And Three Months Ended 30 June 2016

	Unaudited Period Ended 30.06.16 RM'000	Unaudited Period Ended 30.06.15 RM'000
Cash flows from operating activities		
Profit/(loss) before tax	335	(3,428)
Adjustments for:-		
Net interest expense	1,491	2,127
Depreciation on property, plant & equipment	704	549
Gain on disposal of property, plant & equipment	-	9
Share of result of associates & jointly controlled entities	(11)	125
Other non-cash items	1,564	1,520
Operating cashflow before changes in working capital	4,083	902
Net change in current assets	(34,145)	70,329
Net change in current liabilities	32,814	374
	(1,331)	70,703
Cash generated from operations	2,752	71,605
Interest paid	(1,974)	(3,926)
Interest received	69	60
Income tax refund	28	-
Income tax paid	(7,402)	(26)
	(9,279)	(3,892)
Net cash (used in)/generated from operating activities	(6,527)	67,713
Cash flows from investing activities		
Investment in associates	182	(425)
Net cash inflow from acquisition of subsidiary company	-	5,449
Additional investment in a jointly controlled entity	-	(2,803)
Proceeds from disposal of property, plant and equipment	-	15
Purchase of property, plant and equipment	(507)	(211)
Net cash flows (used in)/generated from investing activities	(325)	2,025
Cash flows from financing activities		
Proceeds from bank borrowings	74,421	36,787
Repayments of bank borrowings	(74,651)	(76,441)
Increase in fixed deposits pledged with financial institutions	(24)	283
Proceeds from issue of shares	-	23,340
Rights issue expenses	-	(730)
Repayments of hire purchase payables	(337)	(282)
Net cash flows used in financing activities	(591)	(17,043)
Net (decrease)/increase in cash and cash equivalents	(7,443)	52,695
Effect of foreign exchange differences	483	1,014
Cash and cash equivalents at 1 April	24,192	25,780
Cash and cash equivalents at 30 June	17,232	79,489
Represented by:		
Deposits, bank and cash balances	48,418	91,148
Bank overdrafts	(28,088)	(9,513)
Deposits with licensed bank pledged as security	(3,098)	(2,146)
	17,232	79,489

This unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2016

BINTAI KINDEN CORPORATION BERHAD
(Company No:290870P)

Unaudited Condensed Consolidated Statement of Changes In Equity For The Quarter And Three Months Ended 30 June 2016

	<i>Atributable to owners of the Company</i>						Total Equity RM'000				
	<i>Non-distributable</i>			<i>Distributable</i>							
	Share Capital RM'000	Capital Reserve RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Treasury Shares RM'000	(Accumulated loss)/Retained earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
At 1 April 2016	42,918	21,039	1,593	10,070	10,784	(2,946)	(3,462)	(23,717)	56,279	23,221	79,500
Movements during the period											
Profit for the financial period	-	-	-	-	-	-	-	95	95	190	285
Loss on fair value changes on available for sales financial assets	-	-	-	-	-	(30)	-	-	(30)	-	(30)
Foreign currency translation differences for foreign operations	-	-	-	-	2,372	-	-	-	2,372	-	2,372
Total comprehensive income for the period	-	-	-	-	2,372	(30)	-	95	2,437	190	2,627
At 30 June 2016	42,918	21,039	1,593	10,070	13,156	(2,976)	(3,462)	(23,622)	58,716	23,411	82,127
At 1 April 2015	20,778	31,109	1,142	-	6,427	(2,313)	(3,462)	12,366	66,047	14,051	80,098
Movements during the period											
(Loss)/profit for the financial period	-	-	-	-	-	-	-	(3,685)	(3,685)	252	(3,433)
Loss on fair value changes on available for sales financial assets	-	-	-	-	-	(25)	-	-	(25)	-	(25)
Foreign currency translation differences for foreign operations	-	-	-	-	2,426	-	-	-	2,426	-	2,426
Total comprehensive income for the period	-	-	-	-	2,426	(25)	-	(3,685)	(1,284)	252	(1,032)
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	-	-	4,347	4,347
Total transactions with non-controlling interest:	-	-	-	-	-	-	-	-	-	4,347	4,347
Private placement	2,000	-	1,200	-	-	-	-	-	3,200	-	3,200
Right issue with free warrants	20,140	(10,070)	-	10,070	-	-	-	-	20,140	-	20,140
Total transactions with owners of the Company	22,140	(10,070)	1,200	10,070	-	-	-	-	23,340	-	23,340
Right issue expenses	-	-	(730)	-	-	-	-	-	(730)	-	(730)
At 30 June 2015	42,918	21,039	1,612	10,070	8,853	(2,338)	(3,462)	8,681	87,373	18,650	106,023

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 2016

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

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: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market 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 2016.

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 2016.

A2 Changes in accounting policies

The accounting policies applied by the Group in these unaudited condensed financial statements are consistent with those applied for the audited financial statements for the financial year 31 March 2016, except for the adoption of the following revised FRSs and Amendments to FRSs effective for financial periods beginning on or after 1 January 2016 applicable to the Group's operations:

FRS 14	Regulatory Deferral Accounts
Amendments to FRS 5	Non-current Assets Held for Sales and Discontinued Operations (Annual Improvements 2012-2014 Cycle)
Amendments to FRS 7	Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
Amendments to FRS 10	Consolidated Financial Statements, FRS 12, Disclosure of Interests in Other Entities and FRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
Amendments to FRS 11	Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 101	Presentation of Financial Statements – Disclosure Initiative
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)
Amendments to FRS 127	Equity Method in Separate Financial Statements
Amendments to FRS 134	Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)

Adoption of the abovementioned pronouncements has no material impact on the disclosures or on the amount recognised in these condensed consolidated financial statements.

At the date of authorisation of these interim condensed financial statements, the Group has not applied the following new FRSs and Amendments to FRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

A2 Changes in accounting policies (cont'd)

		Effective date for financial periods beginning on or after
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
FRS 15	Revenue from Contracts with Customers	1 January 2018
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

The Group is expected to apply the abovementioned pronouncements, if applicable, when they become effective. The initial application of the abovementioned pronouncements are not expected to have any material impact to these financial statements of the Group except as mentioned below:

FRS 15 Revenue from Contracts with Customers

FRS 15 replaces the guidance in FRS 111 Construction Contracts, FRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programme, IC Interpretation 15 Agreements for Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue – Barter Transactions Involving Advertising Services.

FRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

Upon adoption of FRS 15, it is expected that the timing of revenue recognition might be different as compared to current practices. The Group is in the process of assessing the impact of this Standard.

FRS 9 Financial Instruments

FRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of FRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. FRS 9 when effective will replace FRS 139 Financial Instruments: Recognition and Measurement.

FRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial assets. Investment in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 139. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. FRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

A2 Changes in accounting policies (cont'd)

FRS 9 Financial Instruments (cont'd)

It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 139.

The adoption of FRS 9 will result in a change in accounting policy. The group is currently examining the financial impact of adopting FRS 9.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (Herein called 'Transitioning Entities').

On 28 October 2015, the MASB further announced that the mandatory effective date for adoption of the new MFRS by the Transitioning Entities be deferred from 1 January 2017 to 1 January 2018. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

Financial statements that are drawn up in accordance with the new MFRS framework will be equivalent to financial statements prepared by other jurisdiction which adopt IFRSs ("International Financial Reporting Standards").

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2019. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

Currently, the Group is in the process of assessing the gap between current Group accounting policies and the requirements of MFRS Framework and expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2019.

A3 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.

A4 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.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

A5 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.

A6 Issues, cancellations, repurchase, resale and repayments of debt and equity securities

There were no issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the current financial period.

A7 Dividend paid

No dividend was paid for the period under review (FY2016: Nil).

A8 Valuation of property, plant and equipment

There are no fair value adjustment to the property, plant and equipment as at the date of these financial statements.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

A9 Segmental Reporting

Business segment information of the Group for the period ended 30 June 2016 is as follows:

	Specialised mechanical and electrical engineering services RM'000	Turnkey, infrastructure & civil and structural RM'000	Property development RM'000	Investment holding and others RM'000	Trading RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External	134,945	-	21,607	-	-	-	156,552
Inter segment	3,723	24,746	-	-	677	(29,146)	-
Total Revenue	138,668	24,746	21,607	-	677	(29,146)	156,552
Results							
Segment results, profit/(loss) before taxation	(2,589)	1,153	3,614	(2,244)	41	360	335
Interest income	(66)	-	-	(3)	-	-	(69)
Interest paid	1,894	-	-	80	-	-	1,974
Depreciation	704	-	-	-	-	-	704
Share of results in associates	(14)	-	-	-	-	-	(14)
Share of results in jointly controlled entities	3	-	-	-	-	-	3
Other non-cash expenses:							
Impairment loss on receivables	-	-	-	1,000	-	-	1,000
Unrealised loss on foreign exchange, net	407	-	-	148	-	-	555

BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016

A10 Related party transactions

The related party transactions noted below, which would have been undertaken within the mandate approved by the shareholders at the last Annual General Meeting.

	Nature of transactions	Current quarter ended 30.06.2016 RM'000	Cumulative year to date 30.06.2016 RM'000
Kinden Corporation	Technical & Services	Nil	Nil

A11 Changes in the composition of the Group

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

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

Additional information required by the listing requirements of Bursa Malaysia

B1 Review of performance

The Group posted a revenue of RM156.55 million against preceding year's corresponding quarter of RM86.87 million. Profit before taxation was RM0.34 million against loss before taxation of RM3.43 million a year ago, an improvement of RM3.77 million.

The improved financial performance for the current quarter under review was due to higher revenue which resulted in higher amount of gross profit of RM16.67 million compared to RM11.02 million a year ago, partially offset by a slightly higher operating expenses of RM16.12 million against RM14.11 million a year ago.

B2 Review of material changes between current quarter and immediate preceding quarter

The Group's revenue for the quarter under review is RM156.55 million compared to RM152.45 million in the immediate preceding quarter, an improvement of 2.69%. This was due to higher revenue from the property development sector.

For the current quarter under review the Group recorded a profit before taxation of RM0.34 million against loss before taxation of RM1.39 million in the immediate preceding quarter, an improvement of RM1.73 million. A combination of marginally higher quantum of gross profit from higher revenue together with marginally lower operating expenses for the current quarter under review contributed to the improved financial performance.

B3 Prospects

The Group will continue to explore for new business venture and opportunities within Asia to create synergistic business collaboration while maintaining a competitive edge and sustainable growth in the currently challenging market.

The Group remains focused on prudent management of its assets and core competencies to ensure ongoing success of the Group in today's competitive market. Going forward, the Group continues to be optimistic of its business prospects and will continue to strive to deliver value to all of its stakeholders.

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.

BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016

B5 Profit before tax

		Current year quarter 30.06.2016 RM'000	Current year to-date 30.06.2016 RM'000
Profit before tax is arrived at after charging/(crediting)			
(a)	Interest Income	(69)	(69)
(b)	Interest expense	1,559	1,559
(c)	Depreciation	704	704
(d)	Impairment loss on receivables	1,000	1,000
(e)	Gain on disposal of quoted investment	N/A	N/A
(f)	Write off of property, plant and equipment	N/A	N/A
(g)	Net loss on foreign exchange		
	-realized	10	10
	-unrealised	555	555
(h)	Gain or loss on derivatives	N/A	N/A
(i)	Bad debts written off	N/A	N/A

B6 Income tax expense/(credit)

The taxation expense for the current quarter and period ended 30 June 2016 are as follows:

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30.06.2016 RM'000	Preceding year corresponding quarter 30.06.2015 RM'000	Current year 30.06.2016 RM'000	Preceding year 30.06.2015 RM'000
Income tax				
- current year				
- Malaysia income tax	78	-	78	-
- Foreign income tax	-	-	-	-
- prior years				
- Malaysian income tax	-	-	-	-
- Foreign income tax	(28)	5	(28)	5
	50	5	50	5
Deferred taxation				
- current year	-	-	-	-
- prior years	-	-	-	-
	-	-	-	-
	50	5	50	5

B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

B8 Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2016 were as follows:

	RM'000
Short Term	
Overdrafts	28,088
Revolving credit	37,429
Bridging loan	3,125
Term loan	64,255
Bills payable/Trust receipt	79,739
Hire purchase payables	1,184
	<u>213,820</u>
	RM'000
Long term	
Hire purchase payables	2,574
	<u>2,574</u>
Currencies in which total borrowings are denominated:	
-Ringgit Malaysia	67,180
-United States Dollar	5,684
-Singapore Dollar	143,530
Total borrowings	<u>216,394</u>

B9 Off Balance Sheet Financial Instruments

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

B10 Fair Value Changes of Financial Liabilities

The Group does not have any financial liabilities measured at fair value through profit or loss as at 30 June 2016.

B11 Material Litigations

There have been no changes in material litigations since the last audited financial statements for the year ended 31 March 2016 except the under-mentioned:

(a) **Kejuruteraan Bintai Kinden Sdn Bhd ("KBK") v Serdang Baru Properties Sdn Bhd ("SBP")**. KBK is involved in 3 different litigation suits as per below:-

(i) High Court of Malaya at Shah Alam (MT22-1685-2008) (KBK's suit for work done):

Kejuruteraan Bintai Kinden Sdn Bhd ("KBK"), a wholly-owned subsidiary of the Company, filed a suit against Serdang Baru Properties Sdn Bhd ("SBP") and three (3) others on 10th October 2008 for non-payment of construction costs and conspiracy to defraud. KBK filed an appeal to the Court of Appeal against the High Court's decision. The said appeal was dismissed. The current status of this proceeding is KBK filed an application to stay the proceedings pending the challenge against the Arbitrator's award on 27.6.2016.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

B11 Material Litigations (cont'd)

(ii) Order for sale (24FC-165-02/2014) :

KBK has filed a new suit for an Order for Sale after the first suit (24F-2218-10/2012) has been made redundant by the Shah Alam High Court on 12 November 2014. The Court dismissed KBK's application for an order for sale. Current status of this proceeding is KBK is in the midst of appealing the High Court's decision.

(iii) Arbitration :

SBP had, on 1st April 2010, commenced arbitral proceedings against KBK for, amongst others, liquidated and ascertained damages. KBK made an application to the High Court to set aside the Final Award (dated 9 March 2016) and Final Award Corrective Notice (dated 7 April 2016) pursuant to Section 42 of the Arbitration Act 2005.

- (b) On 2nd December 2015, the Company together with its wholly owned subsidiary, Kejuruteraan Bintai Kindenko Sdn Bhd ("KBK") and Lereno Sdn Bhd (a trade debtor in liquidation) ("Lereno") (collectively referred to as the "Plaintiffs") commenced proceedings against (i) Malaysian Debt Ventures Berhad ("MDV"), (ii) Temasek Growth Sdn Bhd ("Temasek"), (iii) Bright Integrity Sdn Bhd ("Bright Integrity") and (iv) Mr. Ong Hock An and Mr. Mok Chew Yin, the Receivers and Managers of Lereno ("R&M"), (collectively referred to as the "Defendants"). Plaintiffs filed a Notice of Application for an injunction together with the Affidavit in Support to restrain the sale of the assets of Lereno to Bright Integrity pending the disposal of the said Proceedings. High Court allowed the Plaintiffs' oral application for an 'Ad – Interim'. The Court then allowed the application of the Plaintiffs to withdraw the Injunction Application and discharged the Ad Interim Injunction.

The Defendants' striking out application will be heard together on 18 August 2016 and in the event the Defendants' striking out application is dismissed, the High Court has fixed the trial of the Proceedings on 21 November 2016 to 23 November 2016.

B12 Dividend

No interim dividend is being declared for the quarter under review (FY2016: Nil).

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

B13 Earnings/(Loss) per share

	Quarter Ended		Year-to-date ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Income/(Loss) attributable to owners of the Company (RM'000)	95	(3,685)	95	(3,685)
Weighted average number of ordinary shares in issue for basic earnings/(loss) per share computation ('000)	212,594	132,239	212,594	132,239
Dilutive potential ordinary shares - Assumed exercise of Warrants ('000)	18,831	33,568	18,831	33,568
Weighted average number of ordinary shares in issue for diluted earnings/(loss) per share computation ('000)	231,425	165,807	231,425	165,807
Basic earnings/(loss) per share (sen)	0.045	(2.79)	0.045	(2.79)
Diluted earnings/(loss) per share (sen)	0.041	(2.22)	0.041	(2.22)

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share of the Group is calculated by dividing the income/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share of the Group is calculated by dividing the income/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period after adjustment for the effects of all dilutive potential ordinary shares comprising Warrants.

**BINTAI KINDEN CORPORATION BERHAD (290870-P)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

B14 Supplementary information of breakdown of Realised and Unrealised Profits or Losses pursuant to the directive issued by Bursa Malaysia

On 25 March 2010, Bursa Malaysia issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained profits or accumulated loss as at the end of the reporting period, into realised and unrealised profit or loss.

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

The breakdown of the accumulated loss of the Group as at 30 June 2016, into realised and unrealized profit/(loss), pursuant to the directive, is as follows:

	As at 31.03.2016 RM'000	As at 30.06.2016 RM'000
Total retained earnings of the Group:		
- realised profit	72,083	71,942
- unrealised loss	(3,078)	(3,174)
Total share of results in associates and jointly controlled entities		
- net unrealised loss	<u>(1,298)</u>	<u>(1,291)</u>
Consolidation adjustments	<u>67,707</u>	<u>67,477</u>
	<u>(91,424)</u>	<u>(91,099)</u>
Total accumulated loss as per consolidated accounts	<u><u>(23,717)</u></u>	<u><u>(23,622)</u></u>

The determination of realised and unrealised profits or losses 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 realised and unrealised profits/(loss) 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.

B15 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

NG LAI YEE
Company Secretary

Date: 18 August 2016