

# GLOBAL PRESENCE

The Group's very first attempt to enter the global arena started with a small reconstruction of national road work in Cambodia back in the early 1995. Within this same period, on 6 January 1995, in a historic moment, Bina Puri Holdings Bhd was officially listed on the Main Board of the Kuala Lumpur Stock Exchange, thus propelling the Group forward and broadening its horizon in the corporate world and into the global market.

Operating in international construction scenes is a complex affair. Knowing this, we have always worked on a basis of adaptation, sharing and exchange, and sustaining a balance of control with the local partner. From these projects, we learned the importance of maintaining an impeccable spirit of collaboration with mutual benefits.

Since making the first overseas debut with the Cambodian Road Reconstruction Work, followed by the Construction of Hyatt Regency Hotel Kathmandu for the Taragoan Regency Hotels Ltd Nepal, we have executed an impressive and diversified portfolio that ranges from public mega infrastructure such as highways and airport works to highly-specialized projects like state-of-the-art residential developments and power plants.

Bina Puri has flown the Malaysian flag proudly in many countries – Cambodia, Nepal, India, China, Thailand, the Middle East, Brunei, Pakistan, Indonesia and most recently the Russian Federation - and the list continues to grow.



45-storey residential towers on Al-Reem Island

## UNITED ARABS EMIRATES (UAE)

Further proving that Malaysian contractors are able to compete on the international stage, on 16 May 2007, BPHB, in a JV with Malaysian company Pembinaan SPK Sdn Bhd, inked a RM444 million contract with Al Tamouh Investments LLC to design and build two blocks of 45-storey residential towers on Al-Reem Island, an ambitious integrated development with state-of-the-art engineering technology and systematic city planning. Towering over the proposed layout, the completed project comprised residential apartments, an associated podium, car parks and town houses.

During the handover ceremony on 18 January 2010, the Prime Minister, Y.A.B Dato' Seri Najib Bin Tun Razak



said, "I'm truly proud of the work done by our Malaysian companies here and I hope this will be a beginning of many more involvements by Malaysian companies in this part of the world and beyond."

© INDIA



Signing ceremony of Vijayawada-Eluru Expressway, India



Recognizing the need to expand beyond Malaysian shores, we initiated our overseas foray with a series of high-powered meetings in India with regards to the possibility of Bina Puri's Involvement in infrastructure and power projects.

Following the visits of HE Chandrababu Naidu, Chief Minister of Andhra Pradesh and Manohar Joshi, Chief Minister of Maharashtra, a formal joint venture was signed on 8 August 1995 at Hotel Krishna, Hyderabad, by Tan Sri Datuk Tee Hock Seng and Mr N. Nageswar Rao, the Managing Director of Madhucon Projects Ltd. The joint venture bore fruit on 9 November 1997 when we were awarded an Indian National Highway Project in the State of Andhra Pradesh; Bina Puri's strong track record in Malaysia was cited as a factor that gave us the edge over international bidders. Valued at RM160 million, the project involved strengthening the NH-5 section from Vijayawada to Eluru including four-laning totalling 75km in length and the construction of a bypass for Eluru Town.



Our partner, Mr Rao welcoming Tan Sri Tee during site day

Divided into four major sections, the Vijayawada section was the most toughest, particularly as the entire carriageway passed through the city, thus the working area was encroached by public services, cables and utilities, not to mention huge traffic flow and poor soil condition.



Stone quarry in Kondapalli

Good cooperation with NHA ensured smooth completion and at the end, a once narrow and polluted trunk road was transformed into a smooth flowing landscaped expressway that improved access, reduced travel times and became a new city landmark.

Another challenge was the construction of Bandar Canal Bridge near Vijayawada. Because of its curved design, the bridge had a super-high elevation and work involved extensive use of pre-stressing system. During peak-construction time, 500 labourers were involved in the concreting work. In addition, we have set-up our own stone quarry in Kondapalli, which capable of

producing 100,000 tonnes of aggregates monthly, that enabled us to complete the bridge more quickly than all the other bridges in the region. The bridge opened on 26 July 2000 with deservedly great fanfare.

In the wake of this success, Bina Puri went on to score other high-profile projects including widening and rehabilitating the Tada-Nellore Expressway in Andhra Pradesh and the Chittorgarh-Mangalwar National Highway Project in Rajasthan. Both projects were completed way ahead of schedule, establishing our reputation as a deliverer extraordinaire.



Night scene of Vijayawada- Eluru Expressway



Madhucon Bina Puri JV office



Construction of Bandar Canal Bridge



Chittorgarh-Mangalwar National Highway Project in Rajasthan

## ◎ CHINA

Adding another tough market to our portfolio, we were appointed by the Public Works Department to be turnkey contractor for a new chancery building of the Embassy of Malaysia in Beijing, being part of the development programme under the Seventh Malaysia Plan. The project spread over a built up area of 1,901.74 sq ft for offices and residences at the third diplomatic enclave of Liangmaqiao, Chao Yang District.

The design was based on the traditional Malay house concept and blended harmoniously with its surrounding while standing out as an architectural icon in Beijing. With the construction of this building, the Malaysian government would save rental and minimize the flow of our currency to China.

The project work began on 15 February 2000 and completed on 21 July 2002. Though we ran into numerous challenges in the form of cultural differences and working environment, awareness of the local requirements, climatic condition and conditions of contract ensured satisfactory completion. There was always a close coordination between the client, architect, engineer and interior designer even prior to



tendering stage to capture design intents and iron out problems that could have been confronted during the course of construction. The project gave our team the opportunity for them to learn and understand the local requirements, especially when dealing with more than 12 authorities, differences in climates and culture, various requirements of the local policies, local people, local suppliers and subcontractors. On top of that, the team were exposed in new construction technologies which benefited the industry locally.

This project also exposed our technical team and local consultants to work in four-season environment, where in a precise planning is needed to ensure the highest productivity at every seasonal condition. For instance, work will be adjourned during extreme winter and to mitigate the delay in the work programme, the team would therefore work 24 hours a day.

Overall, the successful completion of this project not only enhanced Malaysia's reputation in China, but significantly marked the Malaysian contractors' ability to carry out the most challenging overseas projects. The Beijing Construction Safety Committee recognized the project as one of 2000's most well-managed project sites, with special mention for its functionality and aesthetics. On 14 March 2004, the building was complemented by the Ambassador's Official Residence.



Interior and exterior of Ambassador's Official Residence

## © THAILAND

Over the years, we have quietly secured a foothold in Thailand's highly competitive construction industry, something that many other construction giants could not, by merging our strengths with carefully-chosen local partners.

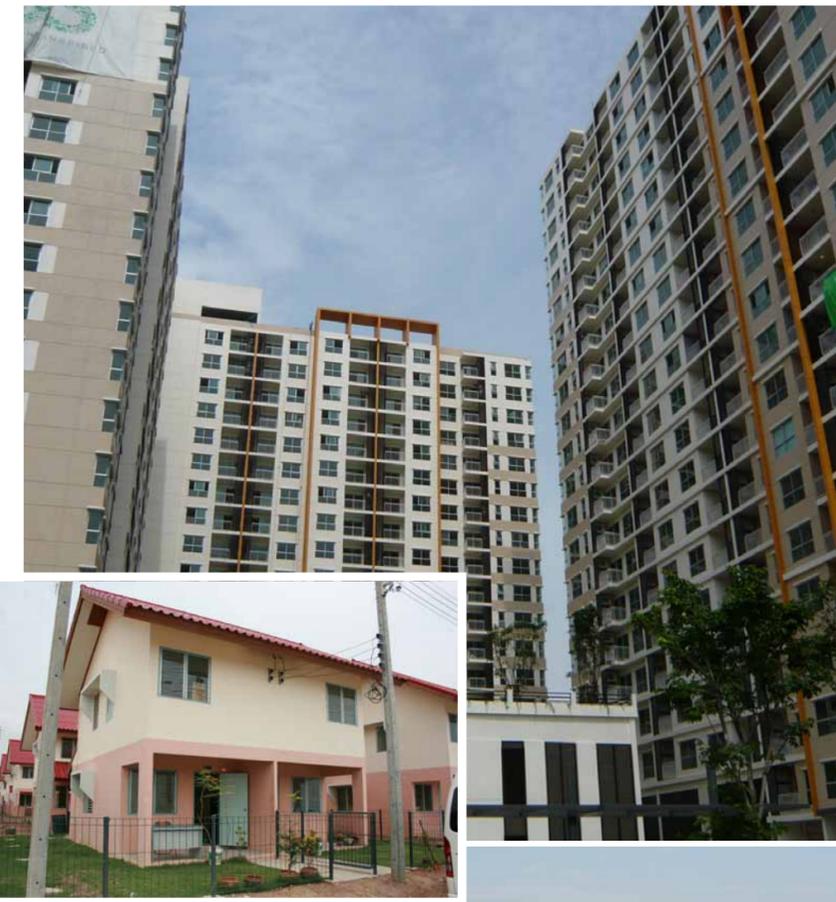
Partnering Kampangphet Viwat Construction Ltd paid off when we won our maiden project on 28 Nov 2003 valued at RM182 million construct At-Grade Roads & Access Bridges of the Second Suvarnabhumi Airport, Bangkok. Completed in under two years, the project raised BHPB's profile in Thailand considerably and paved the way for the subsequent Morakot Factory Expansion and Malaysian Embassy Upgrade works.



At-Grade Roads & Access Bridges of the Second Suvarnabhumi International Airport, Bangkok

Our biggest coup arrived on 28 September 2005 when the National Housing Authority of Thailand awarded Bina Puri (Thailand) Ltd, jointly with local partner Deva Property Public Co. Ltd; a mega project to build over 26,000 low cost apartment units and semi-D double storey houses with total contract value of RM1.3 billion.

Throughout the construction period, we demonstrated our technological innovation and intensiveness. For this project, we used the tunnel formwork system – in which the conventional post and beam structure is replaced with shear wall system - making us the first Malaysian company to do so in Thailand's construction scene. Coupled with the reengineering of the entire standard NHA design to ensure economical outcome



The Banglee Affordable Houses, Bangkok, Thailand

and buildability, the approach resulted in reduced wastage, better speed, finishing quality and higher Health, Safety and Environment (HSE) standards.

Other notable achievements include completing the project ahead of schedule, despite the high-volume, fast-track mode nature of the project. The use of IBS system enabled better site management and logistics with drastic reductions in safety hazards and enhanced quality finishing for reduced abortive and defects work,

especially in Krasaebon, where skilled manpower was in short supply.

Despite operating with more than 1,400 workers at peak capacity for each project site, we achieved 0 fatalities. Ten years after our foray into Thailand, we have successfully completed more than 25 projects in this Land of Smiles.



Skim Tanah Kurnia Rakyat Jati

## ◎ BRUNEI

Our winning formula “to complete projects on time, within budget, and according to specifications” has similarly guided us to laudable success in Brunei. Bina Puri’s involvement in Brunei Darussalam started in October 2007 with a maiden project to execute a RM33.6 million project for earthworks and advance works at Sungai Liang Industrial Park, Kampong Lumut, District of Belait. The works were completed in August 2008 through our subsidiary, Bina Puri (B) Sdn. Bhd. a company incorporated in Brunei Darussalam.

In February 2009, we secured the pilot scheme to develop 2,000 Houses for the National Housing Scheme of Brunei Darussalam. Awarded by the Brunei Economic Development Board, the mega project was valued at RM693 million – representing the single largest contract value secured in the history of the group.



His Majesty The Sultan and Yang Dipertuan of Brunei Darussalam conducted a personal visit.

Completed in just over two years on 14 April 2011, the project drew much praises and strengthened the image of Malaysian contractors in the international arena. None other than His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam conducted a personal visit of the project site on 13th July 2011. He praised the new houses as “very good”. For our outstanding achievement, Bina Puri Holdings Bhd won the International Achievement Award at the Malaysian Construction Industry Excellence Awards (MCIEA) 2011.

Having solidified our reputation in Brunei, Bina Puri further execute other major projects including 520 houses (RM158.3 million) for Skim Tanah Kurnia Rakyat Jati at Kg Lugu and 1,000 cluster houses, both under the National Housing Scheme.



## ◎ PAKISTAN

On 29 August 2007, Bina Puri (Pakistan) Pvt Ltd secured a RM194.3 million (PAK 3.2 billion) contract for Housing Development Phase VI for Defense Housing Authority (DHA) in Lahore, Pakistan. Involving the construction of 174 units villas with four types of design at the Defence Raya Golf & Country Club (DRGCC), the work was sub-contracted from BRD Construction Sdn Bhd. For smooth running of the new project operation, we set up a local office in Lahore, which was operated by 15 key staff including 7 staff from Malaysia. The project was completed successfully on 29 September 2011.



Making further inroads into the Pakistani market, we also built the Foundation Works for the Proposed Club House For DRGCC, Phase IV, Defence Housing Authority (DHA), Lahore, Pakistan (RM4.5 mil) completed in 2009 as well as the Nippon Paint Factory at Lillani Kasor, Lahore, for a contract sum of RM16.5 million in 2010.

## RUSSIA



Bina Puri won its second embassy project to design and build the New Malaysian Embassy Complex in Moscow, Russia. Awarded to the Konsortium Bina Puri-Beringin Waja, the project is valued at RM155 million and expected to be completed within 36 months after obtaining the Construction Permit in September 2015.

Located at Mosfilmovskaya Ulitsa 50, 117192, Moscow, the three-storey building would comprise a chancery block, a 200-capacity multi-purpose hall and the ambassador's residence. This proposed layout took into consideration the functions and levels of security of each zone, as well as existing site conditions with the ground floor raised one meter high in order to reduce excavation of the earth and to prevent severe snow from entering the ground floor.

Designed with a curved elevation, the building was sited at the front to afford easy identification from the

main street. Modern in approach to complement the neighbourhood, the Malaysian identity 'Kelarai Bertindih' was reflected on the walls of the chancery block to complete the unique montage.

This project team also faced similar experiences as in China previously, where we ran into numerous challenges prior to the commencement of the work, especially when dealing with ever demanding local authorities and their extensive list of requirements, extreme climatic condition, cultural differences and working environment, understanding the local policies, local people, as well as cooperation amongst local suppliers and subcontractors.

At all times, these challenges were always addressed professionally, while maintaining close coordination between the client, consultants and subcontractors to ensure smooth execution of the project and satisfactory, on-time delivery.



Actual construction in progress.



## INDONESIA

Though relatively new, the power business has become one of, if not the most, promising components of our diversification strategy, where the revenue increase at 20% from 2013 to 2014, profit before tax rose from RM0.8 million to RM1.8 million.

The Group chose Indonesia as the base for its pioneer power stations. Through PT Megapower Makmur, a subsidiary incorporated in Indonesia in which the Group holds an 80% stake, the Group is supplying power throughout Indonesia.

To date, we have increased the total number of diesel power plants to 28MW in 7 locations namely Toboali 1 and Toboali 2, Mentok, Sei Pakning, Siak, Pilang, Bengkalis and Bantaeng. The construction of the 4.2MW mini hydro power plant in Bantaeng, Sulawesi Selatan with concession period of 15 years is progressing well and will be operational by February 2016. We are



confident that when fully commissioned, the result will be positive and profitable.

Supported by good management decisions and increased productivity, PT Megapower Makmur is looking at listing on the Development Board of the Indonesia Stock Exchange by June 2016.



# CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, Bina Puri Group has always taken upon itself to contribute toward the strengthening society as a whole. As in the past, we have once again come forward willingly to reward those under our own wings as well as contributing towards deserving cases in areas of educating the younger generation and those in the need of assistance due to natural calamities. We believe as a corporate entity, contribution must go back to the society.

## Presidents of Kelab Sukan & Sosial Bina Puri (1995-Present)



Y.Bhg Tan Sri Datuk Tee Hock Seng  
(1995-1996)



Mr. Tay Hock Lee  
(1996-1997)



Dr. Tony Tan Cheng Kiat  
(1997-1998)



Mr. We Her Ching  
(1998-1999)



Ir. Abdul Hafidz  
Mohd Salleh  
(1999-2000)



Mr. Kenny Ooi  
Kek Keong  
(2000-2002)



Tuan Syed Nasser  
Bin Syed Omar  
(2002-2004), (2008-2010)  
(2012-2014)



Mr. Peter Gan  
(2004-2006)



En. Azmi Khair  
Bin Ibrahim  
(2006-2008)



Mr. Lee Tong Leong  
(2010-2012)



Mr. Kevin Tan  
Pei Leong  
(2014-2016)

## Community and Humanitarian Aids



Caring and sharing moments with the orphanages



Dedicated staff rendering help to the red crescent center in Jalan Ampang Kuala Lumpur



Blood donation campaign to help the blood bank by our staff



Helping hand in Ranau Sabah by our sport club members in Kota Kinabalu to the earthquake victims



Visit to Sunbeams Home to share great moments with the children

# Employees Recognition



Scholarship award to excel students and education incentives to children of Bina Puri staff members



Best Employee and Best Site Awards, awarding the deserving staff members

# Bina Puri Sport & Social Club



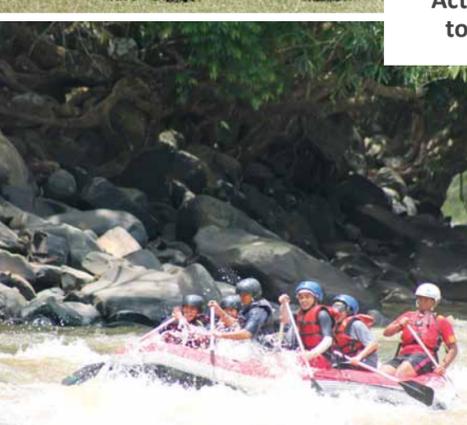
Active members of sports club, enjoying their outings to Kota Kinabalu and adventurers river exploration



Company trip to Mount Kinabalu



Superstar Libra Cruise Navigator



SLISB- Karaoke Contest 2011 at Sungai Long Industries



Family Day



Bina Puri Futsal Tournament



Company trip to Korea - Seoul - Jeju Island



Company trip to Singapore



Company trip to Zhangjiajie, China

# MAPPING THE FUTURE

As we celebrate our 40th Ruby Anniversary in 2015, let us revisit and review what made us successful today. We will be proud of the fact that we are celebrating our 40th Anniversary as there are not many within the industry who have lasted as long. Based on 45 listed construction company on the stock exchange, only 6 companies or 16% have been around for 40 years or more.

In the early days, Bina Puri made our reputation by deriving our revenue from mostly Government projects such as the upgrading of rural infrastructure and the construction of the public housing. We capitalized on these opportunities to hone our skills and expertise, building an impeccable reputation as a reliable contractor and quality builder with the capacity to undertake construction works of any size and complexity. Until the last 15 years, we were very much known for our reputation as a top infrastructure contractor.



Mapping the future

After much sweat and toil, we successfully positioned ourselves as a reputable landmark builder in the country and an international player venturing into countries such as Thailand, UAE, Pakistan, Indonesia, Cambodia, Nepal, India, China, Russia and Brunei Darussalam within the construction fraternity.

Since 2000, we have remained profitable consecutively for 15 years, an admirable feat by any measure. However, while revenue has steadily grown over the past decades, profit margins have been relatively static, due to the competitive nature of the construction industry. This sector makes up 80% of our revenue and with many ongoing and new projects in the pipeline, it will remain our primary focus for some time. It is the sector that has brought us to where we are and what we know best and how.

From our humble beginning as a simple Jabatan Keja Raya (JKR) class 'BX' licensed contractor in 1975, we have always looked ahead. Cognizant that diversification was essential to survival, as early as 1985 we established Ideal Heights Properties Sdn Bhd to pave the way for our entry into the more profitable property development segment.



Mr. Matthew Tee briefing the management team

With full knowledge that the whole construction industry will continue to face escalating building material prices, labour shortages and shrinking margins, more than 30 members of our senior management brainstormed at Janda Baik in August 2007 and formulated a bold plan particularly to achieve at least 5% net profit margin and subsequently to have a growth of at least 20% on the bottom line.

MAPPING THE FUTURE



To meet the profit objective above, many improvement measures have to be practiced within our Group to make sure we properly control our operational costs at the project sites. For the newly negotiated projects secured by the Group, we have to initiate active effort in achieving the original profit target. Key Performance Indicators in terms of higher revenues, profits, productivity and shareholders' returns of all business units have to be put in place.

This forward planning, coupled with rigorous execution, is beginning to bear fruit. The property development division will be more aggressive with more than RM3 billion projects GDV lined-up for 2016 and beyond. The diversification process not be over-reliant on the construction sector and the lookout for recurring income models has been slowly but surely showing results. The successful completion of the Main Place Mall and Residence, which not only marked our ability to execute as a successful property developer but also identified as source of recurring incomes for the Group.



We continuously seek similar opportunities elsewhere to replicate this success. Another recurring income model which we are proud of is our concession business through LATAR Expressway. Since its opening in April 2011, the average daily vehicle traffic numbers has been rising consistently. Other income generators are in the Hospitality Division through the Puni Indah Residence at Jalan Ong Sum Ping, Brunei Darussalam which continues to operate at high occupancy.



Though relatively new, our power division in Indonesia has been a successful and exciting journey. Starting in 2010 with only 2MW power supplying to the State Electricity Company of Indonesia, we have now expanded to 28MW micro diesel power plants spread over 7 locations. We also entered into an agreement with PT.PLN (Persero), Wilayah Sulawesi on 30 May 2012, to build and operate a 4.2MW mini hydro power plant is expected to commence operation by February 2016. Hopefully with the listing of this division on the Indonesia Stock Exchange, we can

unlock the value of our investment while growing this division not only in Indonesia.

While earnings contribution from our power generation sector is small in the bigger picture, its healthy margins promises to be an important contributor to the company's coffers in the future. This is in line with our business objective for the coming years to remain in focus within our core businesses and competency, while growing sectors that can generate a strong recurring income for the Group.



Hydro Power Plant in Sulawesi, Indonesia

# BINA PURI 40TH ANNIVERSARY

KUALA LUMPUR





# BINA PURI 40TH ANNIVERSARY

EAST MALAYSIA



PEOPLE

# PEOPLE

OUR MOST PRECIOUS ASSETS

We have been fortunate to come this far with a superb team that was ever ready to put in additional hours, working faster, delivering quality work and have been demonstrating unsurpassed loyalty. At Bina Puri, we like to say that every staff has an MBA. No, it's not a Master in Business Administration, but a Master in Building Attitude, a Master in building the right attitude.

Thank you for being with us. As we embark on our journey on the next forty years, let us celebrate the past and toast to the future.

Here's to Scaling New Heights Together!



PEOPLE



