

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

If you have sold or transferred all your LBGB Shares, you should at once hand this Abridged Prospectus together with the NPA and the RSF to the agent/ broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue should be addressed to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (11324-H) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

A copy of this Abridged Prospectus has been registered with the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus together with the NPA and the RSF have also been lodged with the Registrar of Companies, who takes no responsibility for the contents.

The approval from our shareholders for the Rights Issue was obtained at our EGM held on 15 June 2017. The approval from Bursa Securities has also been obtained vide its letter dated 12 May 2017 for the admission of the RCPS to the Official List, the listing of and quotation for the RCPS and the new LBGB Shares to be issued arising from the conversion of the RCPS on the Main Market of Bursa Securities. Admission of the RCPS to the Official List and the listing of and quotation for the RCPS and the new LBGB Shares to be issued arising from the conversion of the RCPS on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue. The admission of the RCPS to the Official List and the listing of and quotation for the RCPS will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) have been duly credited and notices of allotment have been despatched to them.

Neither the SC nor Bursa Securities takes any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus.

Our Board has seen and approved all the documentation relating to the Rights Issue, including this Abridged Prospectus, together with the NPA and the RSF. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in these documents false or misleading.

This Abridged Prospectus together with the NPA and the RSF are only despatched to our Entitled Shareholders whose names appear on our Record of Depositors and have provided our Share Registrar with an address in Malaysia not later than 5.00 p.m. on Thursday, 13 July 2017. This Abridged Prospectus together with the NPA and the RSF are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia. The Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue would result in a contravention of any laws of such countries or jurisdictions. Neither we, RHBIB nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation made by the Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

RHBIB, being our Adviser for the Rights Issue, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.



LBS BINA GROUP BERHAD

(Company No.: 518482-H)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 150,586,446 NEW REDEEMABLE CONVERTIBLE PREFERENCE SHARES IN LBS BINA GROUP BERHAD ("LBGB") ("RCPS") ON THE BASIS OF 1 RCPS FOR EVERY 5 EXISTING ORDINARY SHARES IN LBGB ("LBGB SHARE(S)" OR "SHARE(S)") HELD AS AT 5.00 P.M. ON THURSDAY, 13 JULY 2017 AT AN ISSUE PRICE OF RM1.10 PER RCPS ("RIGHTS ISSUE")

Adviser



RHB Investment Bank Berhad

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:-

Entitlement Date	: Thursday, 13 July 2017 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	: Thursday, 20 July 2017 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	: Tuesday, 25 July 2017 at 4.00 p.m.
Last date and time for acceptance and payment	: Friday, 28 July 2017 at 5.00 p.m.
Last date and time for excess application and payment	: Friday, 28 July 2017 at 5.00 p.m.

This Abridged Prospectus is dated 13 July 2017

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

THIS ABRIDGED PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE REGISTRATION OF THIS ABRIDGED PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE RIGHTS ISSUE OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED IN THIS ABRIDGED PROSPECTUS.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

BURSA SECURITIES HAS APPROVED THE ADMISSION OF THE RCPS TO THE OFFICIAL LIST OF BURSA SECURITIES, THE LISTING OF AND QUOTATION FOR THE RCPS AND ALL THE NEW LBGB SHARES TO BE ISSUED ARISING FROM THE CONVERSION OF THE RCPS ON THE MAIN MARKET OF BURSA SECURITIES. HOWEVER, THIS IS NOT AN INDICATION THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RIGHTS ISSUE AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, SUCH AS OUR DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE ABRIDGED PROSPECTUS TOGETHER WITH THE NPA AND THE RSF HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus, the NPA and the RSF:-

"Abridged Prospectus"	: This abridged prospectus dated 13 July 2017
"Act"	: The Companies Act, 2016
"Amendments"	: The amendments to the Constitution of LBGB
"BNM"	: Bank Negara Malaysia
"Board"	: The Board of Directors of LBGB
"Bursa Depository" or "Depository"	: Bursa Malaysia Depository Sdn Bhd (165570-W)
"Bursa Securities"	: Bursa Malaysia Securities Berhad (635998-W)
"CDS"	: Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
"CDS Account"	: A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and for dealings in such securities by the depositor
"CMSA"	: Capital Markets and Services Act, 2007
"Code"	: Malaysian Code on Take-overs and Mergers, 2016
"Conversion Ratio"	: Being 1 new LBGB Share for every 2 RCPS held
"Corporate Exercises"	: The Rights Issue and the Amendments, collectively
"Deed Poll A"	: The deed poll dated 30 April 2008, constituting the Warrants A
"Deed Poll B"	: The deed poll dated 3 September 2015, constituting the Warrants B
"Director(s)"	: The director(s) of LBGB and shall have the meaning given in Section 2(1) of the CMSA
"EGM"	: Extraordinary general meeting
"Entitled Shareholders"	: The shareholders of LBGB who are registered as a member and whose names appear in the Record of Depositors of our Company on the Entitlement Date
"Entitlement Date"	: At 5.00 p.m. on Thursday, 13 July 2017, being the time and date on which shareholders of LBGB's names appear in our Record of Depositors provided by Bursa Depository in order to participate in the Rights Issue
"EPS"	: Earnings per Share

DEFINITIONS (CONT'D)

"ESOS"	:	Employees' Share Option Scheme of LBGB, which was implemented on 18 September 2012 and shall be in force for a period of 10 years until 17 September 2022. Under the ESOS, our Company is allowed to grant ESOS Options to the eligible employees and Directors of our Group for up to 15% of our issued share capital of our Company
"ESOS Options"	:	Employees' share options under the ESOS. As at the LPD, there were 11,975,900 exercisable ESOS Options which have been granted and are exercisable into 11,975,900 new LBGB Shares at exercise prices of between RM1.00 and RM1.84
"Excess RCPS"	:	RCPS which are not taken up or not validly taken up by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) prior to excess application pursuant to the Rights Issue
"Foreign Entitled Shareholders"	:	Entitled Shareholder(s) who have not provided an address in Malaysia for the service of documents to be issued for the purposes of the Rights Issue
"FPE"	:	Financial period ended
"FYE"	:	Financial year ended/ ending
"Issue Date"	:	The date of issuance of the RCPS
"Issue Price"	:	RM1.10 per RCPS
"LBGB" or the "Company"	:	LBS Bina Group Berhad (518482-H)
"LBGB Group" or the "Group"	:	LBGB and its subsidiaries, collectively
"LBGB Share(s)" or "Share(s)"	:	Ordinary share(s) in LBGB
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	15 June 2017, being the latest practicable date prior to the date of this Abridged Prospectus
"Gaterich"	:	Gaterich Sdn Bhd (517406-V), being a substantial shareholder of LBGB
"Market Day(s)"	:	Any day between Monday to Friday (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for the trading of securities
"Maximum Scenario 1"	:	Assuming all the existing 60,000 treasury shares are retained in our Company, none of the outstanding Warrants A, Warrants B and ESOS Options are exercised prior to the Entitlement Date and the Rights Issue is undertaken on a full subscription level basis

DEFINITIONS (CONT'D)

"Maximum Scenario 2"	:	Assuming all the existing 60,000 treasury shares are resold in the open market, all the outstanding Warrants A, Warrants B (save for the 1,969,500 Warrants B held by Gaterich, of which Gaterich has undertaken not to exercise prior to the Entitlement Date) and ESOS Options are exercised prior to the Entitlement Date and the Rights Issue is undertaken on a full subscription level basis
"Minimum Scenario"	:	Assuming all the existing 60,000 treasury shares are retained in our Company, none of the outstanding Warrants A, Warrants B and ESOS Options are exercised prior to the Entitlement Date and the Rights Issue is undertaken on a Minimum Subscription Level
"Minimum Subscription Level"	:	A minimum level of subscription of 61,927,733 RCPS pursuant to the Rights Issue as determined by our Board, based on the Undertakings
"NA"	:	Net assets
"NPA"	:	Notice of provisional allotment of the RCPS pursuant to the Rights Issue
"Official List"	:	A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"Price Fixing Date"	:	29 June 2017, being the date on which our Company fixed and announced the Issue Price and the Conversion Ratio of the RCPS
"Provisional Allotment"	:	RCPS provisionally allotted to the Entitled Shareholders pursuant to the Rights Issue
"RCPS"	:	Up to 150,586,446 new redeemable convertible preference shares to be issued pursuant to the Rights Issue
"Record of Depositors"	:	A record of depositors established by Bursa Depository under the Rules of Depository
"RHBIB" or the "Adviser"	:	RHB Investment Bank Berhad (19663-P)
"Rights Issue"	:	The renounceable rights issue of up to 150,586,446 new RCPS on the basis of 1 RCPS for every 5 existing LBGB Shares held on the Entitlement Date at an issue price of RM1.10 per RCPS
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights Subscription Form for the Rights Issue
"Rules"	:	Rules on Take-overs, Mergers and Compulsory Acquisitions
"SC"	:	Securities Commission Malaysia
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991

DEFINITIONS (CONT'D)

- "Undertakings" : Irrevocable undertakings from the Undertaking Shareholders to fully subscribe for their respective entitlements under the Rights Issue based on their respective shareholdings
- "Undertaking Shareholders" : 3 substantial shareholders of LBGB, namely Gaterich, Tan Sri Lim Hock San and Datuk Wira Lim Hock Guan, collectively who have given the Undertakings
- "VWAMP" : Volume weighted average market price
- "Warrant(s) A" : Warrants 2008/ 2018 constituted by the Deed Poll A. Each Warrant A carries the right to subscribe for 1 new LBGB Share during the 10-year exercise period of the Warrants A up to 11 June 2018 with an exercise price of RM1.00 per Warrant A. As at the LPD, there were 9,740,712 outstanding Warrants A
- "Warrant(s) B" : Warrants 2015/ 2020 constituted by the Deed Poll B. Each Warrant B carries the right to subscribe for 1 new LBGB Share during the 5-year exercise period of the Warrants B up to 4 October 2020 with an exercise price of RM1.25 per Warrant B. As at the LPD, there were 60,183,122 outstanding Warrants B

All references to "our Company" and "LBGB" in this Abridged Prospectus are made to LBS Bina Group Berhad (518482-H) and references to "our Group" are made to our Company and our subsidiaries. All references to "we", "us", "our" and "ourselves" are made to the Company, or where the context requires, our Group or any of our subsidiaries. All references to "you" in this Abridged Prospectus are made to our Entitled Shareholders and/ or, where the context otherwise requires, their renounee(s) and/ or transferee(s).

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Address	Nationality	Occupation
Dato' Seri Lim Bock Seng (Chairman)	No. 83, Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Tan Sri Lim Hock San (Managing Director)	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Datuk Wira Lim Hock Guan (Executive Director)	No. 37, Jalan PJU 1A/51 Idaman Villas Damansara Idaman 47301 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director)	No. 83, Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Datuk Lim Hock Seong (Executive Director)	No. 5, Legenda Puteri 3 Jalan PJU 1A/58A Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Dato' Chia Lok Yuen (Executive Director)	No. 75, Jalan 5/109C Taman Bukit Desa 58100 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Dato' Lim Mooi Pang (Executive Director)	No. 10, Jalan U2/50 Off Persiaran Golf Saujana Resort 40150 Shah Alam Selangor Darul Ehsan	Malaysian	Company Director
Datuk Dr Haji Baharum bin Haji Mohamed (Senior Independent Non- Executive Director)	No. 11, Jalan 8/9 Seksyen 8 Bandar Baru Bangi 43650 Kajang Selangor Darul Ehsan	Malaysian	Company Director
Datuk Lim Si Cheng (Independent Non-Executive Director)	No. 7, Jalan SS21/3 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Lim Tong Lee (Independent Non-Executive Director)	No. 56, Jalan BK 6A/2 Bandar Kinrara 47100 Puchong Selangor Darul Ehsan	Malaysian	Company Director

CORPORATE DIRECTORY (CONT'D)

AUDIT COMMITTEE

Name	Designation	Directorship
Lim Tong Lee	Chairman	Independent Non-Executive Director
Datuk Dr Haji Baharum bin Haji Mohamed	Member	Senior Independent Non-Executive Director
Datuk Lim Si Cheng	Member	Independent Non-Executive Director

COMPANY SECRETARY

: Lee Ching Ching (MAICSA 7010608)

Plaza Seri Setia
Level 1-4, No.1
Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan
Tel. No.: 03 - 7861 8022
Fax. No.: 03 - 7861 7111

REGISTERED OFFICE

: Plaza Seri Setia
Level 1-4, No.1
Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan
Tel. No.: 03 – 7877 7333
Fax. No.: 03 – 7877 7111

HEAD OFFICE

: Plaza Seri Setia
Level 1-4, No.1
Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan
Tel. No.: 03 – 7877 7333
Fax. No.: 03 – 7877 7111
Website: www.lbs.com.my
Email: cs@lbs.com.my

SHARE REGISTRAR

: Tricor Investor & Issuing House Services Sdn Bhd
(11324-H)

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No.: 03 – 2783 9299
Fax. No.: 03 – 2783 9222

AUDITORS AND REPORTING ACCOUNTANTS

: Messrs UHY (AF1411)

Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No.: 03 – 2279 3088
Fax. No.: 03 – 2279 3099

CORPORATE DIRECTORY (CONT'D)

PRINCIPAL BANKERS	:	<p>Malayan Banking Berhad (3813-K)</p> <p>Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel. No.: 03 - 2070 8833 Fax. No.: 03 - 2715 9442</p> <p>Public Bank Berhad (6463-H)</p> <p>Menara Public Bank 146 Jalan Ampang 50450 Kuala Lumpur Tel. No.: 03 - 2176 6000 Fax. No.: 03 - 2163 9917</p> <p>Malaysia Building Society Berhad (9417-K)</p> <p>Level 10, Menara MBSB No. 46, Jalan Dungun Damansara Heights 50490 Kuala Lumpur Tel. No.: 03 - 2096 3000 Fax. No.: 03 - 2020 8127</p> <p>Bank Kerjasama Rakyat Malaysia Berhad (2192)</p> <p>26th Floor, Tower 1, Menara Kembar Bank Rakyat No. 33, Jalan Rakyat 50470 Kuala Lumpur Tel. No.: 03 - 2612 9600 Fax. No.: 03 - 2272 2237</p> <p>Kuwait Finance House (Malaysia) Berhad (672174-T)</p> <p>Level 26, Menara Prestige, No. 1, Jalan Pinang, 50450 Kuala Lumpur Tel. No.: 03 - 2168 0000 Fax. No.: 03 - 2168 0001</p>
DUE DILIGENCE SOLICITORS	:	<p>Messrs Mah-Kamariyah & Philip Koh</p> <p>3A07 Block B, Phileo Damansara II 15, Jalan 16/11, Off Jalan Damansara 46350 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03 – 7956 8686 Fax. No.: 03 – 7956 2208</p>
ADVISER	:	<p>RHB Investment Bank Berhad (19663-P)</p> <p>Level 9, Tower One, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03 - 9287 8888 Fax. No.: 03 - 9287 4770</p>
STOCK EXCHANGE LISTED AND LISTING SOUGHT	:	<p>Main Market of Bursa Securities</p>



LBS BINA GROUP BERHAD

(Company No.: 518482-H)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office

Plaza Seri Setia
Level 1-4, No.1
Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan

13 July 2017

Board of Directors

Dato' Seri Lim Bock Seng (*Chairman*)
Tan Sri Lim Hock San (*Managing Director*)
Datuk Wira Lim Hock Guan (*Executive Director*)
Maj (Hon) Dato' Sri Lim Hock Sing (*Executive Director*)
Datuk Lim Hock Seong (*Executive Director*)
Dato' Chia Lok Yuen (*Executive Director*)
Dato' Lim Mooi Pang (*Executive Director*)
Datuk Dr Haji Baharum bin Haji Mohamed (*Senior Independent Non-Executive Director*)
Datuk Lim Si Cheng (*Independent Non-Executive Director*)
Lim Tong Lee (*Independent Non-Executive Director*)

To: Our Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 150,586,446 NEW RCPS ON THE BASIS OF 1 RCPS FOR EVERY 5 EXISTING LBGB SHARES HELD AS AT 5.00 P.M. ON THURSDAY, 13 JULY 2017 AT AN ISSUE PRICE OF RM1.10 PER RCPS

1. INTRODUCTION

On 9 March 2017, RHBIB had, on behalf of our Board, announced that we proposed to undertake the Corporate Exercises.

On 15 May 2017, RHBIB had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 12 May 2017, resolved to approve the following:-

- i. Admission of the RCPS to the Official List of Bursa Securities;
- ii. Listing of and quotation for up to 150,598,126 RCPS to be issued pursuant to the Rights Issue; and
- iii. Listing of and quotation for up to 75,299,063 new LBGB Shares to be issued arising from the conversion of the RCPS,

on the Main Market of Bursa Securities, subject to the following conditions:-

Conditions	Status of compliance
(i) LBGB and RHBIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue;	Noted.
(ii) LBGB and RHBIB to inform Bursa Securities upon completion of the Rights Issue;	To be complied.
(iii) To incorporate the comments made in the Circular to shareholders provided in the attachment of the approval letter from Bursa Securities dated 12 May 2017;	Complied.
(iv) LBGB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue is completed;	To be complied.
(v) LBGB to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders at extraordinary general meeting approving the Rights Issue; and	Complied.
(vi) Payment of additional listing fees based on the final issue price of the RCPS together with a copy of the computation of the amount of listing fees payable, if relevant. In this respect, LBGB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the RCPS as at the end of each quarter together with a detailed computation of the listing fees payable.	To be complied.

On 15 June 2017, our shareholders had approved the Corporate Exercises at our EGM. A certified true extract of the resolutions pertaining to the Corporate Exercises which were passed at the aforesaid EGM, is set out in Appendix I of this Abridged Prospectus.

On 29 June 2017, RHBIB had, on behalf of our Board, announced that the Issue Price of the RCPS has been fixed at RM1.10 per RCPS and the Conversion Ratio of the RCPS has been fixed at 1 new LBGB Share for every 2 RCPS held. On the same date, RHBIB had also, on behalf of our Board, announced the Entitlement Date and other relevant dates pertaining to the Rights Issue.

The admission of the RCPS to the Official List of Bursa Securities and the listing of and quotation for the RCPS to be issued pursuant to the Rights Issue will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue and if given or made, such information or representation must not be relied upon as having been authorised by us or RHBIB.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE

2.1 Rights Issue

The Rights Issue entails an issuance of up to 150,586,446 new RCPS on a renounceable basis of 1 RCPS for every 5 existing LBGB Shares held by the Entitled Shareholders and/ or their renounees and/ or transferee(s) (if applicable), on the Entitlement Date at an issue price of RM1.10 per RCPS.

As at the LPD, the issued share capital of our Company is RM756,420,528 comprising 673,001,998 LBGB Shares (including 60,000 treasury shares) and our Company has 9,740,712 outstanding Warrants A, 60,183,122 outstanding Warrants B and 11,975,900 exercisable ESOS Options.

Assuming all the existing treasury shares are resold in the open market, all of the above outstanding Warrants A, Warrants B (save for the 1,969,500 Warrants B held by Gaterich, of which Gaterich has undertaken not to exercise prior to the Entitlement Date) and ESOS Options are exercised prior to the Entitlement Date, and all the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) fully subscribe for their respective entitlements under the Rights Issue, the maximum number of RCPS to be issued pursuant to the Rights Issue is 150,586,446 RCPS. In addition, upon full conversion of the 150,586,446 RCPS, a total of 75,293,223 new LBGB Shares will be issued.

The Rights Issue has been structured on a Minimum Subscription Level. Our Board has determined to undertake the Rights Issue on the Minimum Subscription Level after taking into consideration the minimum level of funds that our Company intends to raise from the Rights Issue which will be channelled towards the utilisation of proceeds as set out in Section 4 of this Abridged Prospectus. In this regard, it is the intention of our Board to implement the Rights Issue on the Minimum Subscription Level. Notwithstanding the above, the actual number of the RCPS to be issued pursuant to the Rights Issue would depend on the total number of issued shares of our Company as at the Entitlement Date.

The Rights Issue is renounceable in full or in part. Accordingly, the Entitled Shareholders can subscribe for and/ or renounce their entitlements to the RCPS in full or in part. The RCPS will be provisionally allocated to the Entitled Shareholders.

Fractional entitlements of the RCPS arising from the Rights Issue, if any, shall be disregarded and dealt with in such manner as our Board, shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

Any RCPS which is not subscribed or validly subscribed shall be made available for excess application by the other Entitled Shareholders and/ or their renounee(s) and/ or transferee(s). It is the intention of our Board to allocate the excess RCPS in a fair and equitable manner on a basis as set out in Section 10.8 of this Abridged Prospectus.

As you are an Entitled Shareholder, your CDS Accounts will be duly credited with the number of Provisional Allotment, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed in this Abridged Prospectus, a NPA notifying you of the crediting of such securities into your CDS Account and a RSF to enable you to subscribe for the Provisional Allotment as well as to apply for the Excess RCPS if you choose to do so.

Any dealings in our securities will be subject to the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the RCPS will be credited directly into the respective CDS Accounts of the successful applicants. However, no physical RCPS certificates will be issued. Notices of allotment will be despatched to the successful applicants.

We will allot and issue the RCPS, despatch notices of allotment to the successful applicants and make an application for the quotation for the RCPS within 8 Market Days from the last date for acceptance and payment for the RCPS or such period as may be prescribed by Bursa Securities. The RCPS will then be quoted on the Main Market of Bursa Securities 2 Market Days after the application for quotation is made to Bursa Securities.

2.2 Basis of determining and justification for the Issue Price of the RCPS and the Conversion Ratio

(i) Issue Price of the RCPS

On 29 June 2017, RHBIB had, on behalf of our Board, announced that our Board has fixed the Issue price of the RCPS at RM1.10 per RCPS, after taking into consideration the following:-

- (a) The issue price of the RCPS shall be deemed sufficiently attractive to encourage the subscription of the RCPS by the Entitled Shareholders while taking into consideration the funding requirements of our Group as set out in Section 4 of this Abridged Prospectus; and
- (b) 5-day VWAMP of LBGB Shares immediately preceding the Price Fixing Date of RM2.02 per LBGB Share.

(ii) Conversion Ratio

On 29 June 2017, RHBIB had, on behalf of our Board, also announced that our Board has fixed the Conversion Ratio of the RCPS at 1 new LBGB Share for every 2 RCPS held, after taking into consideration the Issue Price of the RCPS and the 5-day VWAMP of LBGB Shares immediately preceding the Price Fixing Date of RM2.02 per LBGB Share.

Based on the Issue Price and the Conversion Ratio above, the implied conversion price is RM2.20 for every new LBGB Share ("Implied Conversion Price"), representing a premium of approximately 8.91% to the 5-day VWAMP of LBGB Shares up to and including 28 June 2017, being the market day immediately preceding the Price Fixing Date, of RM2.02.

Under the Maximum Scenario 2, based on the Conversion Ratio, the maximum number of new LBGB Shares to be issued upon full conversion of the RCPS is 75,293,223 new LBGB Shares.

2.3 Salient terms of the RCPS

Issuer	:	LBS Bina Group Berhad
Issue size	:	Up to 150,586,446 RCPS, convertible into up to 75,293,223 new LBGB Shares (subject to adjustments, if any).
Issue price	:	RM1.10 per RCPS.
Board lot	:	For the purpose of trading on Bursa Securities, a board lot of RCPS will be 100 RCPS.
Tenure	:	Perpetual.
Issue date	:	The date of issuance of the RCPS.

- Dividend : Our Company shall at its discretion and subject to the availability of distributable profits pay out a targeted preferential dividends of 6% in each financial year calculated on the Issue Price of the RCPS from and including the Issue Date until the date of redemption of the RCPS.
- Dividend payment frequency : The preferential dividends, if declared, shall be payable annually in arrears, subject to availability of distributable profits. Although annual payments are anticipated as disclosed above, our Company may defer, in part or in whole, such payments depending on availability of distributable profits ("Deferred Dividends"). For avoidance of doubt, our Company is not obliged to pay any dividends or Deferred Dividends, as the case may be, in the event that it has insufficient distributable profits.
- Conversion Rights : The RCPS shall be convertible, at the option of the holder of RCPS, at any time commencing from the Issue Date up to the relevant redemption date of the RCPS, into such number of fully-paid new LBGB Shares, without payment of any consideration, in accordance with the Conversion Ratio.
- Conversion Ratio : The Conversion Ratio is 1 new LBGB Share for every 2 RCPS held.
The Conversion Ratio shall be subject to adjustments from time to time, at the determination of our Board, in the event of any alteration to our Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever effected, in accordance with the provisions of the Constitution of our Company. Our Company shall give notice in writing to the holders of RCPS of its intention to make such adjustments to the Conversion Ratio.
- Redemption : Subject to the provisions of the Act, and any other applicable legislation, our Company may at any time on or after the 5th anniversary of the Issue Date, at its discretion, redeem all (and not some only) of the outstanding RCPS by giving notice in writing not less than 30 days prior to the redemption date to the holders of RCPS of its intention to do so.
- Rights : **Voting rights**
A holder of RCPS does not carry any right to vote at any general meeting of our Company except for the right to vote in person or by proxy or by attorney at such meeting in each of the following circumstances:-
i. When the dividend or part of the dividend on the RCPS is in arrears for more than 6 months;
ii. On a proposal to reduce our Company's share capital;
iii. On a proposal for the disposal of substantially the whole of our Company's property, business and undertaking;
iv. On a proposal that affects rights attached to the RCPS;
v. On a proposal to wind up our Company; and
vi. During the winding-up of our Company.
Where the holders of RCPS are entitled to vote at any general meeting, every RCPS shall on a poll, carry one vote for each ordinary share into the RCPS are convertible upon exercise of the Conversion Rights (at the Conversion Ratio) and every ordinary share shall, notwithstanding any other provision of the Constitution of our Company, carry one vote for each such share.
Rights to receive notices, reports and attend meetings
The holders of RCPS shall have the right to receive notices, reports and accounts and attend meetings, of which shareholders of ordinary shares are entitled.

Listing status of RCPS : The RCPS will be listed and quoted on the Main Market of Bursa Securities.

Ranking of RCPS : The RCPS will rank equally amongst themselves, and will rank in priority, save for having the voting rights as disclosed herein under the Rights section, (including in regards to payment of dividends) to the ordinary shares of our company and any other preference shares issued from time to time.

In the event of the liquidation or winding-up of our Company, the redemption value of the RCPS not previously redeemed and all arrears of preferential dividend declared and accrued up to the date of commencement of the winding-up shall be paid in priority to any payment to the holders of ordinary shares and other classes of preference shares issued by our Company but there shall be no further or other participation in the profits or assets of our Company.

Ranking of new LBGB Shares to be issued arising from the conversion of the RCPS : The new LBGB Shares to be issued pursuant to the conversion of the RCPS, if any, shall upon allotment and issue, rank equally in all respects with the then existing issued LBGB Shares, save and except that they will not be entitled to any dividends, rights, allotments and/ or distributions that may be declared, made or paid, the entitlement date for which is prior to the date of conversion of the RCPS.

Listing status of the new LBGB Shares to be issued arising from the conversion of the RCPS : The new LBGB Shares to be issued upon conversion of the RCPS will be listed and quoted on the Main Market of Bursa Securities.

Governing law : Laws of Malaysia.

2.4 Details of other corporate exercises

As at the LPD, save for the Rights Issue, our Board confirms that there are no other outstanding corporate exercises which have been approved by the regulatory authorities but pending completion.

3. RATIONALE AND JUSTIFICATION FOR THE RIGHTS ISSUE

The Rights Issue is undertaken to raise funds for our Group to fund its property development projects as well as the general working capital requirements as set out in Section 4 of this Abridged Prospectus.

After due consideration of the various methods of fund raising and other types of instruments, our Board is of the opinion that the Rights Issue is the most appropriate means for raising funds due to the following:-

- i. The issuance of RCPS will enable our Company to secure funding of up to RM165.65 million;
- ii. The issuance of RCPS will minimise the immediate dilution effect on the basic EPS of our Company as the RCPS are expected to be converted over a period of time i.e. at any time commencing from the Issue Date up to the relevant redemption date of the RCPS;
- iii. Subscription for RCPS to be issued under the Rights Issue will provide our Entitled Shareholders with an opportunity to further increase their equity participation in our Company via the option to convert the RCPS held by them into new LBGB Shares at the Conversion Ratio; and

- iv. As the RCPS will be listed and traded on the Main Market of Bursa Securities, depending on the future performance of our Group, our Entitled Shareholders and/ or potential investors may be able to benefit from future capital appreciation in the RCPS and/ or new LBGB Shares.

4. UTILISATION OF PROCEEDS

Based on the Issue Price of RM1.10 per RCPS, the Rights Issue is expected to raise gross proceeds of up to RM165.65 million and the intended manner of utilisation are as set out below:-

	Timeframe for utilisation	Allocation %	Minimum Scenario RM'000	Maximum Scenario 1 RM'000	Maximum Scenario 2 RM'000
Property development projects ^{*1}	Within 24 months from completion	95.00	64,050	139,980	156,698
General working capital ^{*2}	Within 18 months from completion	5.00	3,371	7,367	8,247
		100.00	67,421	147,347	164,945
Estimated expenses in relation to the Corporate Exercises ^{*3}	Within 1 month from completion	- ^{*4}	700	700	700
Total		100.00	68,121	148,047	165,645

Notes:-

- *1 Our Group intends to utilise 95% of the proceeds (excluding estimated expenses in relation to the Corporate Exercises) to fund our property development projects as set out below. Such utilisation will include, amongst others, payments to contractors, suppliers, consultants, and payment to the relevant authorities in respect of the projects:-

No	Location	Indicative allocation %	Expected gross development value RM'million	Expected commencement date/ commencement date	Expected completion date	Details
1.	Bukit Jalil (Kuala Lumpur)	30.00	1,230	2 nd half of 2017	2022	Apartments (2 blocks -2,702 units)
2.	Alam Perdana (Ijok, Selangor)	20.00	1,830	2 nd half of 2017	2029	Landed residential (3,892 units) and shops (199 units)
3.	Kota Tinggi (Johor)	10.00	2,250	2 nd half of 2017	2029	Mixed development -Landed residential (5,822 units), apartments (2,373 units) and shops (346 units)

No	Location	Indicative allocation %	Expected gross development value RM'million	Expected commencement date/ commencement date	Expected completion date	Details
4.	Cybersouth (Dengkil, Selangor)	10.00	1,150	2 nd half of 2017	2029	Mixed development -Landed residential (5,700 units), apartments (4,500 units) and shops (100 units)
5.	Midhills (Gohtong Jaya, Pahang)	10.00	310	May 2017	2020	Apartments (604 units) (Block 2 & 3) -the construction of building for Block 2 is in the progress, Block 2 is expected to be completed by 2 nd half of 2018. Block 3 has yet to launch
6.	Bandar Putera Indah (Batu Pahat, Johor)	10.00	284	February 2017	2020	Landed residential (765 units) -the earthworks for 141 units are in progress, those units are expected to be completed in 1 st half of 2019
7.	Other projects	5.00	-	-	-	-

In the event of any delay in the abovementioned projects, the surplus will be adjusted to the proceeds allocated for other property development projects, depending on their respective funding requirements.

*2 Our Group intends to utilise 5% of the proceeds (excluding estimated expenses in relation to the Corporate Exercises) to finance day-to-day operations comprising amongst others, professional fees for consultants, marketing and promotional activities as well as payments for printing and stationery, telephone charges, utilities, and other sundry expenses.

*3 The proceeds earmarked for estimated expenses in relation to the Corporate Exercises shall be utilised as set out below:-

	RM'000
Professional fees (i.e. adviser, reporting accountant and solicitors)	500
Regulatory fees	100
Other incidental expenses in relation to the Corporate Exercises	100
Total	<u>700</u>

Any surplus or shortfall for the estimated expenses in relation to the Corporate Exercises will be adjusted accordingly against the allocation for the general working capital.

*4 Negligible

Pending utilisation of the proceeds from the Rights Issue for the above purposes, the proceeds will be placed in deposits with financial institutions or short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of our Group.

No proceeds will be raised upon conversion of the RCPS into new LBGB Shares as the conversion will be satisfied by the holders of the RCPS surrendering such number of RCPS based on the Conversion Ratio to receive the new LBGB Shares. For avoidance of doubt, the Conversion Ratio is set at 1 new LBGB Share for every 2 RCPS held. As such, there will be no cash proceeds from the holders to convert the RCPS into LBGB Shares.

5. IRREVOCABLE UNDERTAKINGS AND UNDERWRITING ARRANGEMENTS

Our Board has determined to undertake the Rights Issue on the Minimum Subscription Level. The Minimum Subscription Level has been determined by our Board after taking into consideration the minimum level of funds that our Company intends to raise from the Rights Issue which will be channelled towards the utilisation of proceeds as set out in Section 4 of this Abridged Prospectus. In this regard, our Board intends to implement the Rights Issue on the Minimum Subscription Level and to raise minimum gross proceeds of RM68,120,506.

To meet the Minimum Subscription Level, the Undertaking Shareholders had, on 23 May 2017, provided their irrevocable undertakings to subscribe in full for their respective entitlements under the Rights Issue based on their shareholdings as at the LPD, and also any additional entitlements under the Rights Issue if they increase their respective shareholdings in LBGB from the LPD up to and including the Entitlement Date. In addition, Gaterich had also undertaken that it will not exercise 1,969,500 of its Warrants B prior to the Entitlement Date.

A summary of the Undertakings is set out below:-

Undertaking Shareholders	Direct shareholdings as at the LPD		Entitlement and Undertakings under the Rights Issue		Funding requirements ^{*3} RM
	No. of Shares	% ^{*1}	No. of RCPS	% ^{*2}	
Gaterich	294,958,106	43.83	58,991,621	43.83	64,890,783
Tan Sri Lim Hock San	3,808,200	0.57	761,640	0.57	837,804
Datuk Wira Lim Hock Guan	10,872,360	1.62	2,174,472	1.62	2,391,919
Total	309,638,666	46.02	61,927,733	46.02	68,120,506

Notes:-

*1 Calculated based on the issued share capital of LBGB excluding all the existing treasury shares as at the LPD

*2 Computed based on a total of 134,588,399 RCPS available for subscription under the Maximum Scenario 1

*3 Calculated based on the Issue Price of RM1.10 per RCPS

Accordingly, based on the Issue Price of RM1.10 per RCPS, the funding requirements for the Undertaking Shareholders pursuant to their Undertakings are approximately RM68.12 million. The Undertaking Shareholders have confirmed that they have sufficient financial resources to take up their respective entitlements as mentioned above. All the said confirmations have been verified by RHBIB, being the Adviser for the Corporate Exercises.

In addition, the Undertaking Shareholders have also undertaken to observe and comply at all times with the provisions of the Code and the Rules in relation to the consequences of the Undertakings.

There will not be any implication to the public shareholding spread of LBGB in the event that none of our Entitled Shareholders and/ or their renounee(s), other than the Undertaking Shareholders, subscribe for their entitlements under the Rights Issue.

For illustrative purposes, the number and percentage of the remaining RCPS, for which no irrevocable undertaking to subscribe has been obtained from other shareholders of our Company, are set out below:-

	Minimum Scenario		Maximum Scenario 1		Maximum Scenario 2	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Total number of RCPS to be issued	61,927,733	100.00	134,588,399	100.00	150,586,446	100.00
Less: RCPS pursuant to the Undertakings	61,927,733	100.00	61,927,733	46.01	61,927,733	41.12
Total number of remaining RCPS and its percentage	-	-	72,660,666	53.99	88,658,713	58.88

Premised on the above, as the Rights Issue will be undertaken on a Minimum Subscription Level, taking into account the Undertakings, we do not intend to procure any underwriting arrangement for the remaining RCPS not subscribed for by other Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable).

6. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you and/ or your renounee(s) and/ or transferee(s) (if applicable) should consider carefully the following risk factors (which may not be exhaustive) which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue.

6.1 Risks relating to the industries which we operate in

6.1.1 Dependence on approvals/ licenses from authorities

The ability of our Group to continue with our business and operations is highly reliant on our ability to obtain approvals and renewals of major licenses, such as development orders, building plans approvals, developer licenses, advertising permits, location permits and license to build issued by the respective local authorities. The revocation of these approvals or licenses would adversely affect the ability of our Group to generate future revenue stream and profits which will in turn impact the financial position of our Group.

However, our Group has obtained the necessary licenses to carry out our property and construction business and has not experienced nor do we anticipate any major difficulty in obtaining renewals of the aforementioned licenses. Our Group will continue to monitor and ensure our compliance with such conditions. However, there can be no assurance that the regulatory authorities will not attempt to vary, modify or impose further conditions or revoke any of licenses, permits and approvals.

6.1.2 Business and operational risks

Our financial performance is largely dependent on the performance of the property market in Malaysia. Any material developments affecting the property markets such as changes in demographic trends, employment and income level, economic uncertainties, changes in the Government policies, the deterioration in property demand and the property rental market may have an impact on our business operations and financial performance.

Furthermore, the performance of the property market is also affected by the regulatory environment. The Government has introduced several cooling measures to curb speculation in the property market in its effort to promote a more stable and sustainable property market.

In 2010, BNM had introduced a maximum loan-to-value ratio of 70% with regards to third home purchases. Under the ruling, potential third home purchasers are only able to obtain loan-financing facility of up to 70% of the value of their proposed third home purchases. This ruling was introduced with the aim of discouraging speculation in the property market. In November 2013, BNM issued a ruling that banks are required to give out property loans based on net selling price of the properties, which excludes rebates and discounts as opposed to the gross selling price of the subject properties.

As announced in the Malaysian Budget 2014, effective 1 January 2014, the real property gains tax rates for the disposal of properties have been revised as follows:-

Disposal period	Companies	Individuals (citizens and permanent residents)	Individuals (non-citizens)
Within 3 years	30%	30%	30%
In the 4th year	20%	20%	30%
In the 5th year	15%	15%	30%
In the 6th and subsequent years	5%	0%	5%

The Government had also imposed different minimum threshold of purchase price on properties purchasable by foreigners in different states of Malaysia as part of the Government's plans to restrict speculative activities in the property market.

In addition, banks can no longer provide financing for projects with developer interest bearing schemes ("DIBS"), which is generally a form of promotional incentive offered to potential purchasers in a bid by property developers to attract property buyers. Under DIBS, interests on the loan undertaken by the buyers are borne by the property developers until the property has been constructed. Any further introduction of cooling measures by the Government or BNM to control price levels of the Malaysian property market may impact our property development business in Malaysia.

The above measures may affect the demand for properties which in turn may impact our property development business. Our Group seeks to minimise the abovementioned risks through, amongst others:-

- careful selection of the type of property development projects to be undertaken by our Group;
- offering competitively priced properties; and
- continuous monitoring of developments in the Malaysia property market.

6.1.3 Construction costs overrun

Our property development business is subject to increases in construction costs due to reasons including possible fluctuations in commodity prices, shortage of construction materials such as cement and steel bars as well as shortage of labour. Any major and unexpected increase in construction material costs or labour costs may reduce our profit margin if we are unable to pass the increased costs to customers in the form of higher selling prices. Selling prices of properties are largely determined by product differentiation in terms of location, reputation, quality, design and conditions of the property market in Malaysia.

While reasonable care is taken to address the possibility of the increase in construction costs by setting contingency provisions in our project development budgeting, there is no assurance that unforeseeable significant increase in construction costs in our development projects will not have a material impact on our financial performance.

6.1.4 Compulsory land acquisition by the Government

The Government has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the Land Acquisition Act, 1960. If all or any portion of our Group's development or project lands are compulsorily acquired by the Government at any point in time, the amount of compensation to be awarded to our Group will be computed based on the First Schedule of the Land Acquisition Act, 1960.

In such an event, the amount of compensation paid to our Group may be lesser than the market value of the lands and/ or the purchase consideration that our Group has paid in acquiring such lands. This may in turn adversely affect our Group's business, financial condition, results of operations and prospects.

6.1.5 Political, economic, market and regulatory risks

Any adverse development in the political situation and economic uncertainties in Malaysia could materially and adversely affect the financial performance of our Group despite our Group taking necessary measures, including but not limited to, keeping abreast with local policies and laws as well as seeking professional legal advice prior to committing to new projects.

Any change in the political situation and/ or government policies in Malaysia may also affect the business of our Group. Political or regulatory changes, imposition of capital controls and changes in interest rates or taxes may impact our Group's business, financial condition, results of operations and prospects. Other adverse political situations include the risks of wars, terrorism, nationalisation and expropriation which may also affect the performance of our Group.

6.2 Risks relating to our Group

6.2.1 Ability to secure commercially viable land bank

As at the LPD, our Group has undeveloped land bank of 3,927 acres. Our Group relies to a large extent on its existing land banks, as well as on its ability to replenish its land bank by acquiring commercially viable lands with development potential to deliver sustainable growth and profitability. However, our Group faces intense competition from other property developers in identifying and acquiring strategically located land bank at commercially viable prices. Such competition has created scarcity in strategically located land, which may in turn result in higher land acquisition cost and potentially affect the profitability of our Group.

Despite the competition, our Board intends to continuously source for land bank/ properties at strategic locations in Malaysia with high development potential. However, there can be no assurance that our Group will succeed in expanding its land bank with parcels of land at strategic locations and with high development potential to spur its future growth.

6.2.2 Project completion risk

Timely completion and hand-over of our projects is critical in ensuring costs are contained and our Group's reputation is safeguarded. However, delays in completion could result from unforeseen circumstances such as natural disasters, shortage of construction materials, adverse weather conditions, major labour disputes, unsatisfactory performance of building contractors appointed for development and construction projects, delays in obtaining the necessary approvals from local authorities, major changes in government/ local authorities' approval policies and/ or other unforeseen circumstance.

If any of the abovementioned circumstances occur for a prolonged period, our Group may incur substantial additional costs such as liquidated and ascertained damages payable to purchasers, rectification costs to repair defects or higher material/ labour costs and these may result in our financial performance being materially impacted.

We seek to mitigate these risks by carrying out tender processes to appoint main contractors with proven track record and adequate financial resources for construction works in our Group's development projects. Further, our Group works closely with all suppliers, contractors and relevant authorities. In addition, our Group will also seek to mitigate such risks by closely monitoring the contractors' work progress in order to ensure the timely completion of all its existing and future property development projects.

6.2.3 Risk of property overhang and/ or unsold properties

Property overhang is commonly caused by oversupply and/ or low take-up rate of new property launches by property developers. Other factors contributing to property overhang may include economic downturn and unfavourable market conditions. Any prolonged rise in the property overhang situation, an increase in the number of unsold properties in the property market may also be due to other factors such as weak response to the launched properties, location of the development and changes in consumer preferences.

Our Group seeks to minimise the abovementioned risk through, amongst others:-

- careful selection of the type of property development projects to be undertaken by our Group;
- offering competitively priced properties; and
- continuous monitoring of developments in the Malaysia property market.

Although our Group takes such measures into account in planning our new projects and managing on-going projects, there can be no assurance that the risk of property overhang will not have a material impact on our financial performance.

6.2.4 Dependence on third party contractors

Our Group is dependent on the availability and quality of work of third party contractors to ensure the continuous supply of services and satisfactory completion of the work in accordance with their contractual obligations. Any unsatisfactory and/ or non-performing contractors and/ or their inability to supply sufficient labour will inevitably disrupt the property development projects which may have an adverse effect on the operations and profitability of our Group.

As such, our Group implements stringent selection criteria to ensure that only competent contractors with adequate financial resources and proven track record are engaged to undertake construction work for our Group's development projects. Our Group also closely monitors the contractors' work progress to ensure timely completion of the property development projects of our Group.

6.2.5 Competition risk

Our Group faces competition from both local and international property developers in terms of pricing of properties, design and quality of properties, facilities and supporting infrastructure as well as sale and marketing of properties. Future success will depend significantly on the ability of our Group to respond to ever changing economic conditions and market demands, the progress of development and construction and launch of the property development projects of our Group.

We expect to remain competitive despite the increased competition due to our established brand name, track record, strategic location of our developments, attractive promotional campaigns and the generally high cost of entry into the property development business. Our Group will continue to take measures to mitigate competition risks such as conducting market intelligence surveys to understand home buyers' needs, monitoring and adjusting development products and implementing innovative marketing strategies in response to changing economic conditions and market demands.

While we seek to remain competitive in terms of pricing, design, quality and strategic marketing, there is no assurance that our proactive measures can effectively mitigate the potential adverse effects of competition on our future financial performance and position.

6.2.6 Exposure to retention and succession risk of our Group's key personnel

As in any other business, we believe that our Group's continued success depends, to a certain extent, on the abilities and on-going efforts of our Group's key personnel (including our existing Executive Directors and our senior management who are instrumental in our Group's growth and expansion). The future success of our Group also depends on our ability to attract and retain qualified and skilled personnel. Loss of any key personnel without a suitable and timely replacement, or our Group's inability to continue to attract and retain qualified and skilled personnel, may affect our Group's ability to compete effectively in the industries in which our Group operates.

Every effort will be made to ensure smooth transition in the management if our Group loses any of its key personnel to reduce the adverse impact on our Group. Appropriate measures are and will be taken, including providing training programmes and offering attractive incentives such as performance bonuses and attractive remuneration packages to key personnel to retain our Group's key personnel.

6.3 Risks relating to the Rights Issue

6.3.1 Market risks and no prior market for the RCPS

The price of RCPS as traded on Bursa Securities may fluctuate, like all other listed securities. A variety of factors could cause the price of the RCPS to fluctuate, including prevailing market sentiments, volatility of the stock market, interest rate movements, trades of substantial amount of LBGB's securities in the open market on Bursa Securities in the future, corporate developments and future profitability of our Group as well as the prospects of the property industry. Hence, there is no assurance that the market price of the RCPS will remain at or above the Issue Price.

The RCPS is a new class of security for our Company and there is no prior market for it. No assurance can be given that an active market for the RCPS will develop upon or subsequent to the listing of and quotation for the RCPS on the Main Market of Bursa Securities or, if developed, that such a market is sustainable or adequately liquid.

6.3.2 Delay in or abortion of the Rights Issue

The Rights Issue is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances such as unfavourable changes in the governments' policies such as licensing regulations and other force majeure events, which are beyond the control of our Company and RHBIB, arising prior to or during the implementation of the Rights Issue.

Nevertheless, our Group will endeavour to ensure the successful listing of the RCPS. However, there can be no assurance that the above-mentioned events will not occur and cause a delay in or abortion of the Rights Issue. In the event the Rights Issue is aborted, our Group will repay without interest all monies received in respect of the accepted application for the subscription of the RCPS pursuant to the Rights Issue and if such monies are not repaid within 14 days after we become liable to repay, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event the RCPS have been allotted to the successful Entitled Shareholders and/ or their renounee(s) and/ or their transferee(s), if applicable, and the Rights Issue is subsequently cancelled or terminated, a return of monies to the successful applicants can only be achieved by way of cancellation of the share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by way of special resolution in a general meeting, consent of our creditors (where applicable) and may require the confirmation of the High Court of Malaya. There can be no assurance that such monies can be returned within a short period of time under such circumstances.

6.4 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on assumptions made by our management and although believed to be reasonable at that time, are subject to known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, inter alia, the risk factors as set out in this section. In view of these and other uncertainties, the inclusion of a forward-looking statement in this Abridged Prospectus should not be regarded as a representation or warranty by us on the achievability of the future plans and objectives of our Group.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

Economic management in 2017 will continue to focus on promoting growth and strengthening the country's economic fundamentals to enable the nation to benefit from improving global growth and trade. In this respect, through a process of extensive engagement, the Government has identified several issues that are of concern to the rakyat and business community. At the same time, there is also a need to unshackle the economy from various structural issues which may hamper Malaysia's long-term growth potential. From a broader perspective, these issues are also opportunities for the Government to strengthen domestic demand as the engine of economic growth and unleash the true potential of the domestic economy.

Given the nation's strong economic fundamentals coupled with the 2017 Budget strategies and programmes, the economy is expected to expand between 4% and 5% in 2017. The expansion translates into GNI per capita growth of 5% from RM37,812 to RM39,699. On the demand side, growth will emanate from domestic demand, particularly private consumption and private investment expenditures which are expected to expand 6.3% and 5.8%, respectively. In tandem with higher investment activities, the savings-investment gap is expected to narrow to 0.5% – 1.5% of GNI (2016: 1% – 1.5%). Inflation will remain manageable, while the economy continues to operate under full employment. All sectors of the economy are expected to contribute to growth, with the services and manufacturing sectors spearheading the expansion. With the Government's commitment to enhancing revenue and rein in expenditure, the fiscal deficit is expected to improve further to 3% of GDP. These developments will strengthen the economic fundamentals and augurs well for a nation in transition from an upper-middle to a high-income and advanced nation.

(Source: Chapter 1, Economic Management and Prospects, Economic Report 2016/2017, Ministry of Finance, Malaysia)

The Malaysian economy expanded by 5.6% in the first quarter of 2017. Growth was lifted by stronger domestic demand, particularly private sector spending. From the supply side, the improvement was driven mainly by the turnaround in the agriculture sector and higher growth in manufacturing and services sectors. Going forward, the Malaysian economy is expected to be supported by domestic demand. The economy is on track to register higher growth in 2017. Domestic demand is projected to continue to expand. Exports are expected to benefit from the improvement in global growth.

(Source: Economic and Financial Developments in Malaysia in the first quarter of 2017, Bank Negara Malaysia)

7.2 Overview and outlook on the property development and construction industry

The residential subsector grew 10.4% supported by steady growth in incoming supply at 13.1% to 816,174 units (January – June 2015: 13.5%; 10.3%; 721,730 units). Klang Valley, accounting for 26.2%, continued to contribute the most of the incoming supply mainly due to increasing affordable housing schemes (January – June 2015: 25.6%). However, during the period, new approvals declined significantly by 32% to 44,389 units as developers are clearing unsold properties, while buyers are more cautious amid increasing uncertainties in the global environment (January – June 2015: -2.1%; 65,231 units). Likewise, housing starts declined 16.8% to 60,378 units (January - June 2015: 15%; 72,545 units). Of which, terrace houses and condominiums/ apartments accounted for 43.6% (26,324 units) and 29.9% (18,070 units), respectively, while low-end houses 11% (6,617 units). The take-up rate for residential units was lower at 25.6% in the first half of 2016 largely reflecting softer demand for high-end units (January - June 2015: 29.8%).

During the first half of 2016, a total of 102,096 residential properties valued at RM32.7 billion were transacted, accounting for 62.4% of total property transactions (January - June 2015: 119,446 transactions; RM36.5 billion; 64.1%). Residential properties transacted in Kuala Lumpur recorded a marked contraction of 20.1%, followed by Selangor (-14.1%), Pulau Pinang (-13.5%), and Johor (-10.9%). The softening of the transaction was partly due to the buyers' cautious sentiment and measures to contain the accelerating house prices. The residential overhang increased 63.1% to 13,438 units with a total value of RM7.6 billion during the first half of 2016 (January - June 2015: -24.1 %; 8,238 units; RM2.7 billion) with Johor accounting for the highest overhang units at 21.1 % (2015: 23.3%).

Malaysia House Price Index ("MHPI") continues to moderate reflecting implementation of various measures to contain spiraling prices. The MHPI stood at 235.4 points (at base year 2000) during the second quarter ("Q2") of 2016, increasing 5.3%, the lowest since the fourth quarter of 2009 (Q2 of 2015: 223.5 points; 7.5%). All states recorded a positive growth except Kelantan (-0.2%) and Sabah (-0.6%). Johor registered the highest increase of 7%, followed by Kuala Lumpur (6.9%), Selangor (6.6%), Kedah (6.5%) and Negeri Sembilan (6.2%). The average all-house price increased to RM326,241 in the Q2 of 2016 relative to RM309,705 for the corresponding period in 2015, with detached houses recording the highest increase at 6.5%, followed by high rise units (6%) and terrace houses (5.7%).

(Source: Chapter 3: Economic Performances and Prospects, Economic Report 2016/ 2017, Ministry of Finance Malaysia)

Residential market would remain the focus of the industry, particularly the affordable segment. The on-going incentives to assist the first home buyers namely the First House Deposit Financing Scheme (MyDeposit) launched in April 2016 shows the continuous commitment of the Government in ensuring that each household is given a fair opportunity to own a home. The response towards MyDeposit scheme was overwhelming with more than 13,000 applications till 30 April 2016. The Ministry of Urban Wellbeing, Housing and Local Government has targeted between 6,000 to 7,000 eligible applications for the RM200 million fund.

The property market would be able to endure this challenging period. Given the resiliency of the economy and the optimistic 2016 economic growth at 4.4%, though property market may see moderation in market activity, the slowdown would be manageable as the market fundamentals remain sound and stable.

(Source: Property Market Report First Half of 2016, Valuation and Property Services Department, Ministry of Finance, Malaysia)

For home buyers, bank financing for the purchase of residential properties for qualified borrowers continued to be available. Growth in loans outstanding for home purchase averaged at 13.2% during 2012 - 2014 (2008 - 2009: 9.8%). While this moderated to 9.2% in 2016, this moderation was due to the softer housing market. The demand for affordable housing had supported the expansion in end-financing by banks for residential property purchases. As at end-2016, about 56% of loans outstanding were for houses priced below RM250,000, while loans for houses priced between RM250,000 to RM500,000 accounted for another 25%. Rejection rates for housing loan applications also fell further to 23.6% in 2016 (2012 - 2015: 26.1%). These trends are evidence that financing remains ample for eligible home buyers. Similarly, house builders continued to have access to bank financing. Loans for real estate activities and residential property construction increased at a healthy rate of 11.7% in 2016 (2012 - 2014: 18.5%), reflecting the fewer property launches and incoming supply.

Growth in the construction sector is projected to expand at a faster pace in 2017, driven mainly by new and existing civil engineering projects in the utilities, transportation and petrochemical segments.

(Source: Chapter 4 - Outlook and Policy in 2017, Bank Negara Malaysia Annual Report 2016)

It is evident that the housing market has not provided an adequate supply of affordable housing for the lower and middle-income households. In 2014, the shortage of affordable houses was estimated to be 960,000 units. This gap is evident across most states, with Sabah and Sarawak having the highest deficit, accounting for 50% of the total shortage in Malaysia. Among the four states with the highest concentration of urban population, the shortage of affordable housing was largest in Kuala Lumpur, followed by Penang and Johor. On the other hand, Selangor was found to have a surplus of affordable houses. However, this could be an over-estimation given that there is a significant number of low-cost housing in the state that may fail to meet the quality and location requirements of households.

While there are multiple programmes by the private sector, and the Federal and State Governments to supply affordable housing, the current level of house-building is not sufficient to meet the demand. If the current trends in population growth, urbanisation and income growth persist, the supply-demand mismatch in the affordable housing segment is expected to worsen going forward. Trends in the country's demography shows that as Malaysia's population increases, the number of households increases at a faster rate than population growth, reflecting the trend of shrinking household size. This suggests that the demand for affordable housing is likely to increase going forward. By 2020, the shortage of affordable housing could very well be more than 1 million units.

(Source: Bank Negara Malaysia Annual Report 2016)

7.3 Future prospects of our Group

Going forward, we will continue to focus on our property development activities in Malaysia with an emphasis on properties priced at an affordable range with the middle income group being our main target market. As highlighted above in Section 7.2 of this Abridged Prospectus, shortage of affordable housing could very well be more than 1 million units by 2020. In anticipation of the increase in the number of households in Malaysia, our Group is preparing to launch the following projects in second half of 2017:-

- i. Initial phase of BSP 6 which comprises of service apartments located in Bandar Saujana Putra with an estimated total gross development value ("GDV") of approximately RM387.00 million;
- ii. Skylake Residence located in Puchong, Selangor with an estimated total GDV of approximately RM372.00 million;
- iii. Mercuri Jalil which comprises 2 blocks of apartments under Perumahan Penjawat Awam 1Malaysia (PPA1M) located in Bukit Jalil, Kuala Lumpur with an estimated total GDV of approximately RM354.00 million;
- iv. LBS Alam Perdana townhouses (Phase 1) and linked houses (Phase 2) located in Ijok, Selangor with an estimated total GDV of approximately RM627.50 million; and
- v. Desiran Bayu (Phase 6) comprises linked houses and semi-detached house homes located in Puchong, Selangor with an estimated total GDV of approximately RM77.10 million.

As at the LPD, we have 17 ongoing projects, including 8 projects in Selangor, 5 projects in Pahang and 4 projects in Johor, with an estimated total GDV of approximately RM3.29 billion. Unbilled sales recorded at approximately RM1.402 billion as at 31 May 2017. Our undeveloped land bank of 3,927 acres with an estimated total GDV of approximately RM30.60 billion as at the LPD paves the way for our expansion and growth strategy. This fund raising exercise is expected to improve our Group's financial position and further allow us to accelerate our development execution plan and expand our project base in anticipation of future growth.

In view of the challenging business environment, particularly in the property sector, our Group will remain selective on product types and remain cautious on the timing of new launches. With the right products in strategic locations and our proven track record, we remain optimistic on the growth prospect of our Group.

8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

8.1 Issued share capital

The pro forma effects of the Rights Issue on the issued share capital of our Company are set out below:-

	<----->	Minimum Scenario----->	>
	No. of Shares	Amount ¹ RM	No. of RCPS Amount RM
Issued share capital as at the LPD	673,001,998	756,420,528	-
Less: Treasury shares	(60,000)	(88,081)	-
	<u>672,941,998</u>	<u>756,332,447</u>	<u>-</u>
Shares to be issued assuming all the outstanding Warrants A are exercised	-	-	-
Shares to be issued assuming all the outstanding Warrants B are exercised	-	-	-
Shares to be issued assuming all the ESOS Options are exercised	-	-	-
	<u>672,941,998</u>	<u>756,332,447</u>	<u>-</u>
RCPS to be issued pursuant to the Rights Issue	-	-	61,927,733
	<u>672,941,998</u>	<u>756,332,447</u>	<u>61,927,733</u>
Shares to be issued arising from the full conversion of the RCPS	30,963,866	68,120,506	(61,927,733)
Enlarged issued share capital	<u>703,905,864</u>	<u>824,452,953</u>	<u>-</u>

Note:-

*1 The amount in the issued share capital of our Company combined the share capital and the share premium of our Company pursuant to the Act

	<-----	Maximum Scenario 1	>-----	<-----	Maximum Scenario 2	>-----
	No. of Shares	Amount ¹ RM	No. of RCPS	Amount RM	No. of Shares	Amount ¹ RM
					No. of RCPS	Amount RM
Issued share capital as at the LPD	673,001,998	756,420,528	-	-	673,001,998	756,420,528
Less: Treasury shares	(60,000)	(88,081)	-	-	-	-
	672,941,998	756,332,447	-	-	673,001,998	756,420,528
Shares to be issued assuming all the outstanding Warrants A are exercised	-	-	-	-	9,740,712	10,259,697
Shares to be issued assuming all the outstanding Warrants B are exercised ²	-	-	-	-	58,213,622	72,767,028
Shares to be issued assuming all the ESOS Options are exercised	-	-	-	-	11,975,900	24,342,994
	672,941,998	756,332,447	-	-	752,932,232	863,790,247
RCPS to be issued pursuant to the Rights Issue	-	-	134,588,399	148,047,239	-	-
	672,941,998	756,332,447	134,588,399	148,047,239	752,932,232	863,790,247
Shares to be issued arising from the full conversion of the RCPS	67,294,199	148,047,239	(134,588,399)	(148,047,239)	75,293,223	165,645,091
Enlarged issued share capital	740,236,197	904,379,686	-	-	828,225,455	1,029,435,338

Notes:-

*1 The amount in the issued share capital of our Company combined the share capital and the share premium of our Company pursuant to the Act

*2 Save for the 1,969,500 Warrants B undertaken by Gaterich not to exercise prior to the Entitlement Date

8.2 NA per Share and gearing

Based on the latest audited consolidated statement of financial position of our Group as at 31 December 2016, the pro forma effects of the Rights Issue on the NA per Share and gearing of our Group are set out below:-

Minimum Scenario

	I	II	III
	After the subsequent events up to the LPD ²	After (I) and the Rights Issue	After (II) and assuming full conversion of the RCPS
	RM'000	RM'000	RM'000
Share capital	641,424	756,421	824,542 ⁵
RCPS	-	68,121 ³	-
Share premium	74,235	-	-
Treasury shares	(88)	(88)	(88)
Other reserves	(53,214)	(55,930)	(55,930)
Retained earnings	503,462	489,183	488,483 ⁴
Equity attributable to owners/ NA	1,165,819	1,189,586	1,257,007
Non-controlling interests	41,205	41,205	41,205
Total equity	1,207,024	1,230,791	1,298,212

No. of Shares in issue (excluding treasury shares) ('000)

703,906

NA per Share (RM)

1.79

Total borrowings (RM'000)

616,825

Gearing ratio (times)^{*1}

0.48

Notes:-

- *1 Gearing ratio is total borrowings divided by total equity
- *2 After adjusting for the following subsequent events up to the LPD:-
- (a) 12,197,000 Warrants A have been exercised between 1 January 2017 and the LPD;
 - (b) 13,918,625 Warrants B have been exercised between 1 January 2017 and the LPD;
 - (c) 5,461,900 ESOS Options have been exercised, 3,309,100 ESOS Options have been granted and 1,108,100 ESOS Options have been forfeited between 1 January 2017 and the LPD;
 - (d) The declaration of the special dividend of 2 sen per Share as announced on 14 February 2017; and
 - (e) Combination of share capital and share premium pursuant to the Act
- *3 After the issuance of 61,927,733 RCPS at the Issue Price of RM1.10 per RCPS
- *4 After deducting estimated expenses of RM0.70 million incurred in relation to the Corporate Exercises
- *5 After adjusting for the full conversion of the 61,927,733 RCPS into 30,963,866 new LBGB Shares at the Conversion Ratio of 1 new LBGB Share for every 2 RCPS held

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Maximum Scenario 1

	Audited as at 31 December 2016 RM'000	I After the subsequent events up to the LPD ² RM'000	II After (I) and the Rights Issue RM'000	III After (II) and assuming full conversion of the RCPS RM'000
Share capital	641,424	756,421	756,421	904,468 ⁵
RCPS	-	-	148,047 ³	-
Share premium	74,235	-	-	-
Treasury shares	(88)	(88)	(88)	(88)
Other reserves	(53,214)	(55,930)	(55,930)	(55,930)
Retained earnings	503,462	489,183	488,483 ⁴	488,483
Equity attributable to owners/ NA	1,165,819	1,189,586	1,336,933	1,336,933
Non-controlling interests	41,205	41,205	41,205	41,205
Total equity	1,207,024	1,230,791	1,378,138	1,378,138

No. of Shares in issue (excluding treasury shares) ('000)

NA per Share (RM)

Total borrowings (RM'000)

Gearing ratio (times)^{*1}

No. of Shares in issue (excluding treasury shares) ('000)	641,364	672,942	672,942	740,236
NA per Share (RM)	1.82	1.77	1.99	1.81
Total borrowings (RM'000)	616,825	616,825	616,825	616,825
Gearing ratio (times)^{*1}	0.51	0.50	0.45	0.45

Notes:-

- *1 Gearing ratio is total borrowings divided by total equity
- *2 After adjusting for the following subsequent events up to the LPD:-
 - (a) 12,197,000 Warrants A have been exercised between 1 January 2017 and the LPD;
 - (b) 13,918,625 Warrants B have been exercised between 1 January 2017 and the LPD;
 - (c) 5,461,900 ESOS Options have been exercised, 3,309,100 ESOS Options have been granted and 1,108,100 ESOS Options have been forfeited between 1 January 2017 and the LPD;
 - (d) The declaration of the special dividend of 2 sen per Share as announced on 14 February 2017; and
 - (e) Combination of share capital and share premium pursuant to the Act
- *3 After the issuance of 134,588,399 RCPS at the Issue Price of RM1.10 per RCPS
- *4 After deducting estimated expenses of RM0.70 million incurred in relation to the Corporate Exercises
- *5 After adjusting for the full conversion of the 134,588,399 RCPS into 67,294,199 new LBGB Shares at the Conversion Ratio of 1 new LBGB Share for every 2 RCPS held

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Maximum Scenario 2

	I	II	III	IV
	After the subsequent events up to the LPD ²	After (I) and assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options ³	After (II) and the Rights Issue	After (III) and assuming full conversion of the RCPS
	RM'000	RM'000	RM'000	RM'000
Share capital	641,424	863,790	863,790	1,029,435 ⁶
RCPS	-	-	165,645 ⁴	-
Share premium	74,235	-	-	-
Treasury shares	(88)	-	-	-
Other reserves	(53,214)	(63,367)	(63,367)	(63,367)
Retained earnings	503,462	489,183	488,483 ⁵	488,483
Equity attributable to owners/ NA	1,165,819	1,289,606	1,454,551	1,454,551
Non-controlling interests	41,205	41,205	41,205	41,205
Total equity	1,207,024	1,330,811	1,495,756	1,495,756

No. of Shares in issue (excluding treasury shares) ('000)

	641,364	752,932	752,932	828,225
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NA per Share (RM)

	1.82	1.77	1.71	1.93
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Total borrowings (RM'000)

	616,825	616,825	616,825	616,825
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Gearing ratio (times)¹

	0.51	0.50	0.46	0.41
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Notes:-

- *1 Gearing ratio is total borrowings divided by total equity
- *2 After adjusting for the following subsequent events up to the LPD:-
 - (a) 12,197,000 Warrants A have been exercised between 1 January 2017 and the LPD;
 - (b) 13,918,625 Warrants B have been exercised between 1 January 2017 and the LPD;
 - (c) 5,461,900 ESOS Options have been exercised, 3,309,100 ESOS Options have been granted and 1,108,100 ESOS Options have been forfeited between 1 January 2017 and the LPD;
 - (d) The declaration of the special dividend of 2 sen per Share as announced on 14 February 2017; and
 - (e) Combination of share capital and share premium pursuant to the Act
- *3 After adjusting for the full exercise of the following:-
 - (a) 9,740,712 Warrants A;
 - (b) 58,213,622 Warrants B; and
 - (c) 11,975,900 ESOS options
- *4 After the issuance of 150,586,446 RCPS at the Issue Price of RM1.10 per RCPS
- *5 After deducting estimated expenses of RM0.70 million incurred in relation to the Corporate Exercises
- *6 After adjusting for the full conversion of the 150,586,446 RCPS into 75,293,223 new LBGB Shares at the Conversion Ratio of 1 new LBGB Share for every 2 RCPS held

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8.3 Earnings and EPS

The Rights Issue is not expected to have any material effect on the earnings of our Group for the FYE 31 December 2017. However, the EPS of our Group may be diluted as a result of the increase in the number of LBGB Shares in issue arising from the conversion of the RCPS over time.

For illustrative purposes only, based on the audited consolidated financial statements of our Group as at 31 December 2016 and assuming the Rights Issue had been completed and all RCPS had been converted into new LBGB Shares on 1 January 2016, being the beginning of the FYE 31 December 2016, the pro forma dilution effect on the basic EPS of our Group as a result of the increase in number of LBGB Shares in issue, is set out below:-

Minimum Scenario

	Audited as at 31 December 2016 RM'000	I After the subsequent events up to the LPD RM'000	II After (I) and the Rights Issue RM'000	III After (II) and assuming full conversion of the RCPS RM'000
Net profit attributable to owners of our Company	85,301	85,301	85,301	85,301
No. of Shares in issue (excluding treasury shares) ('000)*	641,364	672,942	672,942	703,906
Basic EPS (sen)	13.30	12.68	12.68	12.12

Maximum Scenario 1

	Audited as at 31 December 2016 RM'000	I After the subsequent events up to the LPD RM'000	II After (I) and the Rights Issue RM'000	III After (II) and assuming full conversion of the RCPS RM'000
Net profit attributable to owners of our Company	85,301	85,301	85,301	85,301
No. of Shares in issue (excluding treasury shares) ('000)*	641,364	672,942	672,942	740,236
Basic EPS (sen)	13.30	12.68	12.68	11.52

Maximum Scenario 2

	Audited as at 31 December 2016 RM'000	I After the subsequent events up to the LPD RM'000	II After (I) and assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options RM'000	III After (II) and the Rights Issue RM'000	IV After (III) and assuming full conversion of the RCPS RM'000
Net profit attributable to owners of our Company	85,301	85,301	85,301	85,301	85,301
No. of Shares in issue (excluding treasury shares) ('000)*	641,364	672,942	752,932	752,932	828,225
Basic EPS (sen)	13.30	12.68	11.33	11.33	10.30

Note:-

* Being the respective pro forma number of Shares in issue (excluding treasury shares) under the Minimum Scenario, Maximum Scenario 1 and Maximum Scenario 2, respectively, as set out in Section 8.2 of this Abridged Prospectus

Notwithstanding the above, the proceeds from the Rights Issue may contribute positively to the earnings of our Group for the ensuing financial years, when the benefits of the utilisation of proceeds as disclosed in Section 4 of this Abridged Prospectus are realised.

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9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital

Our Board is of the opinion that, after taking into consideration our cash flow generated from our operations, current cash in hand and banking facilities available as well as proceeds from the Rights Issue, our Group will have sufficient working capital for the next 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM672.37 million. All the borrowings are denominated in local currency, interest-bearing and comprise the following:-

	RM'000
Long term borrowings:-	
Finance lease payables	5,588
Bridging loans	53,677
Term loan	289,624
Revolving credits	34,199
	<u>383,088</u>
Short term borrowings:-	
Finance lease payables	2,130
Bank overdrafts	79,189
Bridging loans	14,230
Term loan	59,943
Revolving credits	133,787
	<u>289,279</u>
Total	<u>672,367</u>

As at the LPD, our Group does not have any non-interest bearing borrowings from local and foreign financial institutions.

There has been no default on payments of either interest and/ or principal sums in respect of any borrowings for the FYE 31 December 2016 and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

Save as disclosed below, as at the LPD, there are no contingent liabilities incurred or known to be incurred which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group:-

	RM'000
Bankers' guarantees issued for:-	
- Property development	45,128
- Construction contracts	6,764
- Others	30
	<u>51,922</u>

9.4 Material commitments

Save as disclosed below, as at the LPD, there are no material commitments for capital expenditure incurred or known to be incurred by our Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group:-

	RM'000
Approved and contracted for property development:-	
- Sale and purchase agreements	50,445
- Joint venture agreements	751,010
Approved and contracted for property, plant and equipment:-	
- Sale and purchase agreements	1,350
	802,805

The anticipated sources of funds needed to fulfil the above commitments are from internally generated funds and/ or borrowings.

10. INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT**10.1 General**

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotment which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed with this Abridged Prospectus, a NPA notifying you of the crediting of such securities into your CDS Account and a RSF to enable you to subscribe for the Provisional Allotment, as well as to apply for Excess RCPS if you choose to do so.

10.2 NPA

The Provisional Allotment are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Allotment will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/ or your renounee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the RCPS is at **5.00 p.m.** on **Friday, 28 July 2017.**

10.4 Procedure for full acceptance and payment

Acceptance and payment for the Provisional Allotment must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, the NPA or the RSF or the notes therein or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENT, APPLICATION FOR THE EXCESS RCPS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTION CONTAINED THEREIN.

YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

If you wish to accept all or part of your entitlement, please complete Parts I(a) and II of the RSF in accordance with the notes and instructions provided therein. Thereafter, please send each completed and signed RSF together with the relevant payment by using the envelope provided (at your own risk) to our Share Registrar by **ORDINARY POST, COURIER or DELIVERED BY HAND** at the following address:-

Tricor Investor & Issuing House Services Sdn Bhd (11324-H)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No.: 03 – 2783 9299
Fax. No.: 03 – 2783 9222

OR

Tricor's Customer Service Centre
Unit G-3, Ground Floor
Vertical Podium, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

so as to arrive **not later than 5.00 p.m. on Friday, 28 July 2017**, being the last date and time for acceptance and payment for the RCPS.

1 RSF can only be used for acceptance of Provisional Allotment standing to the credit of 1 CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Allotment standing to the credit of more than 1 CDS Account(s). If successful, the RCPS subscribed for will be credited into your CDS Account(s) where the Provisional Allotment is standing to the credit.

A reply envelope is enclosed in this Abridged Prospectus. In order to facilitate the processing of the RSF by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

You and/ or your renounee(s) and/ or transferee(s) (if applicable) should take note that a trading board lot for the RCPS comprises of 100 RCPS. The minimum number of securities that can be subscribed for or accepted is 1 RCPS. Fractions of RCPS, if any, will be disregarded, and shall be dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

If acceptance and payment for the Provisional Allotment (whether in full or in part, as the case may be) is not received by our Share Registrar by **5.00 p.m. on Friday, 28 July 2017**, being the last date and time and for acceptance and payment, you will be deemed to have declined the provisional entitlement made to you and it will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar. In the event that the RCPS are not fully taken up by such applicants, our Board will then have the right to allot such securities to the applicants who have applied for the Excess RCPS in the manner as set out in Section 10.8 of this Abridged Prospectus.

If you or your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from Bursa Securities' website at <http://www.bursamalaysia.com>, our Share Registrar at the address stated above or our Registered Office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RCPS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "LBGB RCPS ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS. CHEQUES OR ANY OTHER MODE(S) OF PAYMENT ARE NOT ACCEPTABLE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RCPS, AND NOTICES OF ALLOTMENT WILL BE DESPATCHED BY ORDINARY POST TO THEM OR THEIR RENOUNCEES AND/ OR TRANSFEREE(S) (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RCPS.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST AND DESPATCHED TO THE APPLICANT WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RCPS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

10.5 Procedure for part acceptance by Entitled Shareholders

You are entitled to accept part of your Provisional Allotment provided always that the minimum number of RCPS that can be subscribed for or accepted is 1 RCPS.

You must complete both Parts I(a) and II of the RSF by specifying the number of the RCPS which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 10.4 of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

The portion of the Provisional Allotment that have not been accepted will be allotted in a fair and equitable manner as our Board deems fit and expedient and in the best interests of our Company.

10.6 Procedure for sale or transfer of the Provisional Allotment

As the Provisional Allotment are prescribed securities, you may dispose or transfer all or part of your entitlement to the Provisional Allotment to 1 or more person(s) through your stockbrokers without first having to request for a split of the Provisional Allotment standing to the credit of your CDS Account. To dispose or transfer all or part of your entitlement to the Provisional Allotment, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have disposed or transferred only part of the Provisional Allotment, you may still accept the balance of the Provisional Allotment by completing the RSF. Please refer to Sections 10.4 and 10.5 of this Abridged Prospectus for the procedure for acceptance and payment.

In disposing or transferring all or part of your Provisional Allotment, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Allotment standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Allotment may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar or at our Registered Office. This Abridged Prospectus and the RSF are also available on the Bursa Securities' website at <http://www.bursamalaysia.com>.

ENTITLED SHAREHOLDERS WHO DISPOSE OR TRANSFER THEIR PROVISIONAL ALLOTMENT WILL AUTOMATICALLY BE DISPOSING OR TRANSFERRING THEIR ENTITLEMENTS TO THE RCPS.

10.7 Procedure for acceptance by renounees and/ or transferee(s)

Renounees and/ or transferees who wish to accept the Provisional Allotment must obtain a copy of the RSF from our Share Registrar or at our Registered Office or from Bursa Securities' website at <http://www.bursamalaysia.com>, and complete the RSF and submit the same together with the remittance to our Share Registrar in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 10.4 of this Abridged Prospectus also applies to renounees and/ or transferees who wish to accept the Provisional Allotment.

RENOONEES ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.

10.8 Procedure for application of Excess RCPS

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess RCPS in excess of your entitlement by completing Part I(b) of the RSF (in addition to Parts I(a) and II) and forward it (together with a **separate remittance** for the full amount payable in respect of the Excess RCPS applied for) to our Share Registrar **not later than 5.00 p.m. on Friday, 28 July 2017**, being the last date and time for acceptance and payment.

PAYMENT FOR THE EXCESS RCPS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 10.4 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "LBGB EXCESS RCPS ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS APPLICATION AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS. CHEQUES OR ANY OTHER MODE(S) OF PAYMENT ARE NOT ACCEPTABLE.

It is the intention of our Board to allot the Excess RCPS, if any, on a fair and equitable basis and in the following priority:-

- i. Firstly, to minimise the incidence of odd lots;
- ii. Secondly, for allocation to Entitled Shareholders who have applied for the Excess RCPS, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as at the Entitlement Date;
- iii. Thirdly, for allocation to Entitled Shareholders who have applied for the Excess RCPS, on a pro-rata basis and in board lot, calculated based on the quantum of Excess RCPS applied for; and
- iv. Fourthly, for allocation to renounee(s) and/ or transferee(s) who have applied for the Excess RCPS, on a pro-rata basis and in board lot, calculated based on the quantum of Excess RCPS applied for.

Nevertheless, our Board reserves the right to allot any Excess RCPS applied for under Part I(b) of the RSF in such manner as our Board deems fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis and that the intention of our Board as set out in (i), (ii), (iii) and (iv) above are achieved.

Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RCPS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RCPS, AND NOTICES OF ALLOTMENT WILL BE DESPATCHED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RCPS.

WHERE AN APPLICATION FOR THE EXCESS RCPS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST AND DESPATCHED TO THE APPLICANT WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RCPS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

10.9 Form of issuance

Bursa Securities has already prescribed the RCPS to be listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the RCPS are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply to the dealings in the RCPS.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical RCPS certificate shall be issued to you under the Rights Issue. Instead, the RCPS will be credited directly into your CDS Account.

The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors provided by Bursa Depository within 8 Market Days from the last date for acceptance and payment for the RCPS.

10.9.1 Subscription for the RCPS by Entitled Shareholders

Where the RCPS are provisionally allotted to you as an Entitled Shareholder in respect of your existing LBGB Shares standing credit to your CDS Account on the Entitlement Date, the acceptance by you of the Provisional Allotment shall mean that you consent to receive such RCPS as prescribed or deposited securities which will be credited directly into your CDS Account.

10.9.2 Subscription of RCPS by renounees and/ or transferees

Any person who has purchased the Provisional Allotment or to whom the Provisional Allotment has been transferred and intends to subscribe for the RCPS must state his CDS Account number in the space provided in the RSF. The RCPS will be credited directly as prescribed or deposited securities into his CDS Account upon allotment and issuance.

10.9.3 Application for the Excess RCPS by an Entitled Shareholder and/ or his renounee(s) and/ or transferee(s) (if applicable)

The Excess RCPS, if allotted to the successful applicant who applies for the Excess RCPS, will be credited directly as prescribed securities into the CDS Account of the successful applicant. The allocation of the Excess RCPS will be made on a fair and equitable basis as disclosed in Section 10.8 of this Abridged Prospectus.

10.10 Laws of foreign jurisdiction

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) for subscription of any foreign jurisdiction. The Rights Issue will not be made or offered for subscription in any foreign jurisdiction.

Accordingly, this Abridged Prospectus, and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may collect this Abridged Prospectus, and the accompanying NPA and RSF from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so.

RHBIB, our Share Registrar, our Company, our Directors, officers and advisers would not, in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. RHBIB, our Share Registrar, our Company, our Directors, officers and advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

The Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) for any such issue, transfer or other taxes or other requisite payments. They will have no claims whatsoever against us and/ or RHBIB in respect of their rights and entitlements under the Rights Issue. Such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue.

By signing the RSF, the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) RHBIB, our Share Registrar, our Company, our Directors, officers and advisers that:-

- i. we would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) are or may be subject to;
- ii. they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Allotment;
- iii. they are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Allotment, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- iv. they are aware that the RCPS can only be transferred, sold or otherwise disposed, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- v. they have respectively received a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the RCPS; and
- vi. they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the RCPS, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the RCPS.

Persons receiving this Abridged Prospectus, the NPA and the RSF (including without limitation to custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, the NPA and the RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus, the NPA and the RSF to any foreign jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the RCPS from any such application by Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the RCPS as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements.

11. TERMS AND CONDITIONS

The issuance of the RCPS pursuant to the Rights Issue is governed by the terms and conditions set out in this Abridged Prospectus, the NPA and the RSF enclosed herewith.

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12. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board of
LBS BINA GROUP BERHAD



DATO' SERI LIM BOCK SENG
Chairman and Non-Independent Non-Executive Director

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 15 JUNE 2017

CERTIFIED TRUE COPY

LBS BINA GROUP BERHAD
(Company No.: 518482-H)
[Incorporated in Malaysia]


.....
COMPANY SECRETARY
LEE CHING CHING
(MAICSA 7010608)
19 JUN 2017

AN EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF LBS BINA GROUP BERHAD ("LBGB" OR "COMPANY") HELD AT THE BALLROOM II, JALAN KELAB TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 15 JUNE 2017 AT 10.00 A.M.

ORDINARY RESOLUTION:-

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 150,598,126 NEW REDEEMABLE CONVERTIBLE PREFERENCE SHARES IN LBGB ("RCPS") ON THE BASIS OF 1 RCPS FOR EVERY 5 EXISTING ORDINARY SHARES IN LBGB ("LBGB SHARE(S)" OR "SHARE(S)") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("ENTITLEMENT DATE") ("PROPOSED RIGHTS ISSUE")

The Chairman referred to the item no. 1 of the Agenda of the Meeting which was to approve the Proposed Rights Issue as follows:

"**THAT**, subject to the passing of the Special Resolution, and the approvals of all relevant authorities or parties being obtained, where required, approval be and is hereby given to the Board of Directors of LBGB ("Board") for the following:-

- (a) to provisionally allot and issue by way of a renounceable rights issue of up to 150,598,126 new RCPS at an issue price to be determined and fixed at a later date by the Board on the basis of 1 RCPS for every 5 existing LBGB Shares held on the Entitlement Date to be determined and fixed at a later date by the Board, at an issue price to be determined and fixed at a later date by the Board. The indicative issue price is RM1.10 per RCPS;
- (b) to allot and issue such number of new LBGB Shares arising from the conversion of the RCPS, from time to time during the tenure of the RCPS; and
- (c) to do all such acts and things including but not limited to the application to Bursa Malaysia Securities Berhad for the listing of and quotation for the new LBGB Shares which may from time to time be allotted and issued arising from the conversion of the RCPS;

THAT any RCPS which are not taken up or not validly taken up shall be made available for excess applications to the entitled shareholders and/ or their renounee(s) who have applied for the excess RCPS and is intended to be allocated on a fair and equitable basis, to be set out in the abridged prospectus to be issued;

THAT any fractional entitlements of the RCPS arising from the Proposed Rights Issue, if any, shall be disregarded and dealt with in such manner as the Board, in their absolute discretion, deem fit and expedient, and to be in the best interest of the Company;

THAT the RCPS shall be listed on the Main Market of Bursa Malaysia Securities Berhad;

LBS BINA GROUP BERHAD

*Certified Extract of Minutes of the Extraordinary General Meeting
Of the Company held on 15 June 2017*

THAT the purpose of the Proposed Rights Issue as set out in the circular to shareholders of the Company dated 24 May 2017 ("Circular") be approved;

THAT the proceeds of the Proposed Rights Issue be utilised as set out in the Circular, and the Board be and is hereby authorised with full power to vary the manner and/ or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/ or expedient, subject to (where required) the approval of the relevant authorities;

THAT the new LBGB Shares to be issued upon conversion of the RCPS ("New Share(s)") will, upon allotment and issuance, rank equally in all respects with the existing LBGB Shares, save and except that the New Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared for which the entitlement date for the said distribution precedes the date of allotment and issuance of the New Shares;

THAT the Board be and is hereby authorised to deal with all or any of the fractional entitlements of the RCPS arising from the Proposed Rights Issue, which are not taken up or not validly taken up or which are not allotted for any reason whatsoever, in such manner and to such persons as the Board may in its absolute discretion deem fit, necessary or expedient in the best interest of the Company (including without limitation to disregard such fractional entitlements altogether);

THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things, and to execute, enter into, sign, deliver and cause to be delivered for and on behalf of the Company all such transactions, arrangements, agreements and/ or documents as it may consider necessary or expedient in order to implement and complete the Proposed Rights Issue, with full powers to assent to and accept any condition, modification, variation, arrangement and/ or amendment to the terms of the Proposed Rights Issue as the Board may deem fit, necessary and/ or expedient in the best interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the aforesaid conditions, modifications, variations, arrangements and/ or amendments and to take all steps as it considers necessary in connection therewith in order to give full effect to the Proposed Rights Issue;

AND THAT this resolution constitutes specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all RCPS, to be issued pursuant to or in connection with the Proposed Rights Issue have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue."

Upon the proposal by Ms. Wu Su Mei and duly seconded by Ms. Choi Sheow Yun, the Chairman put the motion to vote by poll using electronic voting system.

Based on the poll result, the Chairman declared the motion carried.

LBS BINA GROUP BERHAD

*Certified Extract of Minutes of the Extraordinary General Meeting
Of the Company held on 15 June 2017*

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE CONSTITUTION OF LBGB ("PROPOSED AMENDMENTS")

The Chairman referred to the item no. 2 of the Agenda of the Meeting which was to approve the Proposed Amendments as follows:


"**THAT**, subject to the passing of the Ordinary Resolution and the approvals of all relevant authorities and/ or parties (if required) being obtained, the proposed amendments to the Constitution as set out in Appendix I of the Circular be and is hereby approved and adopted;

AND THAT the Board be and is hereby authorised and empowered to sign, execute, deliver and cause to be delivered on behalf of the Company all documents as the Board may consider necessary, take all steps, do or procure to be done all acts, deeds and things as may be required to give effect to the aforesaid Proposed Amendments with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/ or expedient to implement, finalise and give full effect to the Proposed Amendments."

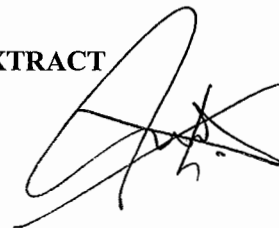
Upon the proposal by Mr. K. Sivaphathy and duly seconded by Mr. Brendan Lim Siew Kheng, the Chairman put the motion to vote by poll using electronic voting system.

Based on the poll result, the Chairman declared the motion carried.

CERTIFIED AS TRUE EXTRACT



Director
TAN SRI LIM HOCK SAN



Director/Secretary
DATO' CHIA LOK YUEN

Dated: 15 June 2017

PROPOSED AMENDMENTS TO THE CONSTITUTION OF LBGB

The Company's Constitution shall be amended as follows:-

- (i) By deleting the existing Article 3 in relation to the authorised share capital of the Company in its entirety and replacing the same with the following new Article 3:-

Article	Existing Provisions	Proposed Amendments
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To insert the new Article 3 in substitution of the existing Article 3	-	"In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the following table shall bear the meaning set out opposite to them respectively in the second column thereof:
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Words	Meanings
Conversion Notice	Shall have the meaning given in Article 6(6)(c)(i).
Conversion Period	Shall have the meaning given in Article 6(6)(b)(i).
Conversion Rights	Shall have the meaning given in Article 6(6)(b).
Conversion Shares	Shall have the meaning given in Article 6(6)(c)(iii)(A).
Conversion Ratio	Shall have the meaning given in Article 6(6)(a)(i).
Converting RCPS Holder	Shall have the meaning given in Article 6(6)(c)(i).
Deferred Dividends	Shall have the meaning given in Article 6(3)(b).
Issue Date	Shall have the meaning given in Article 6(2)(a).
Issue Price	RM1.10 per RCPS.
RCPS	Redeemable convertible preference shares of the Company issued at the Issue Price, the terms and conditions of which are set forth in these Articles.
Redemption Date	Shall have the meaning given in Article 6(7)(a).
Redemption Notice	Shall have the meaning given in Article 6(7)(a).
Shares	Ordinary shares in the Company.

- (ii) By deleting the existing Article 6(2) in its entirety and substituting the same with the following new Articles 6(2), 6(3), 6(4), 6(5), 6(6), 6(7), 6(8), 6(9), 6(10) and 6(11):-

Article	Existing Provisions	Proposed Amendments
<p>To delete the existing Article 6(2) in its entirety and substitute with the new Articles 6(2), 6(3), 6(4), 6(5), 6(6), 6(7), 6(8), 6(9), 6(10) and 6(11)</p>	<p>"(2) Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and audited accounts and the attending of general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the whole of the Company's property, business and undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrears for more than six (6) months."</p>	<p>"The RCPS shall confer on the holders thereof the following rights and privileges and be subject to the following conditions:</p> <p>(2) <u>Tenure and listing</u></p> <p>(a) The tenure of the RCPS shall be perpetual from and inclusive of the date of issuance of the RCPS ("Issue Date").</p> <p>(b) The RCPS will be listed and quoted on the Main Market of the Stock Exchange. All new Shares to be issued upon conversion of the RCPS will be listed and quoted on the Main Market of the Stock Exchange.</p> <p>(3) <u>Dividend</u></p> <p>(a) The Company shall at its discretion and subject to the availability of distributable profits pay out targeted preferential dividends of 6% in each financial year calculated on the issue price of the RCPS from and including the Issue Date until the date of redemption of the RCPS.</p> <p>(b) The preferential dividends, if declared, shall be payable annually in arrears, subject to availability of distributable profits. Although annual payments are anticipated as disclosed above, the Company may defer, in part or in whole, such payments depending on availability of distributable profits ("Deferred Dividends"). For avoidance of doubt, the Company is not obliged to pay any dividends or Deferred Dividends, as the case may be, in the event that it has insufficient distributable profits.</p> <p>(4) <u>Ranking</u></p> <p>The RCPS will rank equally amongst themselves, and will rank in priority, save for having the voting rights as disclosed in Article 6(5) below, (including in regards to payment of dividends) to the Shares and any other preference shares issued from time to time.</p>

Article Existing Provisions**Proposed Amendments****(5) Voting Rights**

The RCPS holders shall not have the right to vote at any general meeting of the Company except with regard to:-

- (a) when the dividend or part of the dividend payable on the RCPS is in arrears for more than six (6) months;
- (b) on any proposal to reduce the share capital of the Company;
- (c) on any proposal for the disposal of substantially the whole of the property, business and undertaking of the Company;
- (d) on any proposal that affects the rights and privileges attached to the RCPS; or
- (e) on any proposal to wind-up the Company or during the winding-up of the Company;

in which case, the RCPS holders shall be entitled to vote together with the holders of Shares by way of poll and each RCPS holder shall be entitled to one (1) vote for each Share into the RCPS are convertible upon exercise of the Conversion Rights (at the Conversion Ratio) and every Share shall, notwithstanding any other provisions in this Constitution, carry one (1) vote for each such Share.

(6) Conversion**(a) Conversion ratio**

- (i) The conversion ratio shall be one (1) new Share for every two (2) RCPS held ("**Conversion Ratio**").
- (ii) The Conversion Ratio shall be subject to adjustments from time to time, at the determination of the Board, in the event of any alteration to the share capital of the Company, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever effected, in accordance with the provisions of the Constitution of the Company. The Company shall give notice in writing to the holders of RCPS of its intention to make such adjustments to the Conversion Ratio.

Article	Existing Provisions	Proposed Amendments
		<p data-bbox="884 203 1139 226">(b) Conversion rights</p> <p data-bbox="932 264 1406 353">The holders of the RCPS shall have conversion rights as follows ("Conversion Rights"):</p> <p data-bbox="932 387 1406 685">(i) The RCPS shall be convertible, at the option of the holder of RCPS, at any time commencing from the Issue Date up to the relevant redemption date of the RCPS ("Conversion Period"), into such number of fully-paid new Shares, without payment of any consideration, in accordance with the Conversion Ratio.</p> <p data-bbox="932 719 1406 987">(ii) The conversion price per new Share shall be an amount equivalent to the issue price of the RCPS, which shall be deemed settled by way of set-off. No additional cost or consideration shall be payable by the holder(s) of RCPS upon such exercise of the Conversion Rights.</p> <p data-bbox="884 1021 1214 1043">(c) Conversion Mechanism</p> <p data-bbox="932 1081 1406 1995">(i) The conversion of the RCPS shall be exercised by the relevant holder of RCPS or his/her/its agent, nominee or attorney delivering a duly completed and signed conversion notice as prescribed from time to time by the Company or in accordance with any applicable laws and regulations from time to time ("Conversion Notice") to the Registrar of the Company during its business hours on any Market Day during the Conversion Period. The Conversion Notice is irrevocable upon receipt by the Company. A holder of the RCPS who had issued a Conversion Notice ("Converting RCPS Holder") shall further furnish to the Company such supporting documents or information as may be prescribed by the Company or as may be required under any applicable laws or regulations from time to time. The conversion shall be carried out in accordance with such procedures as may be prescribed by any applicable laws and regulations.</p>

Article Existing Provisions

Proposed Amendments

- (ii) Once a Conversion Notice has been submitted to the Company, the Converting RCPS Holder shall not sell, transfer, dispose or otherwise encumber the RCPS in respect of which the Conversion Rights have been exercised.
- (iii) Subject to all applicable laws, rules and regulations, within eight (8) Market Days from the date of receipt by the Company of a Conversion Notice or such other period as may be prescribed or allowed by the Stock Exchange or under any applicable laws and regulations, the Company shall:-
 - (A) issue and/or allot to the relevant Converting RCPS Holders, such number of Shares to which such holders are entitled to receive by virtue of the exercise of the Conversion Rights, credited as fully paid-up ("**Conversion Shares**"), and shall cause the securities account of the said holders to be credited with such number of Conversion Shares; and
 - (B) dispatch a notice of allotment to the relevant Converting RCPS Holders in respect of the Conversion Shares.
- (iv) A RCPS holder may give a Conversion Notice following the giving of a Redemption Notice by the Company, but such Conversion Notice must be validly given prior to the relevant Redemption Date.
- (v) Once converted, the RCPS shall not be capable of reissuance.
- (d) **Ranking of Conversion Shares**

All new Shares to be issued pursuant to the conversion of the RCPS, if any, shall upon allotment and issue, rank equally in all respects with the then existing issued Shares, save and except that they will not be entitled to any dividends, rights, allotments and/ or distributions that may be declared, made or paid, the entitlement date for which is prior to the date of conversion of the RCPS.

Article Existing Provisions**Proposed Amendments****(7) Redemption**

- (a) Subject to the provisions of the Act, and any other applicable legislation, the Company may at any time on or after the fifth (5th) anniversary of the Issue Date, at its discretion, redeem all (and not some only) of the outstanding RCPS by giving notice in writing ("**Redemption Notice**") not less than 30 days prior to the redemption date to the holders of RCPS of its intention to do so and such Redemption Notice shall specify the number of RCPS to be redeemed and the date fixed for redemption ("**Redemption Date**").
- (b) Subject to Article 6(6)(c)(iv) above, all RCPS which are the subject of a Redemption Notice shall be redeemed on the relevant Redemption Date, and the Company shall thereafter make payment of the redemption price to the relevant holders as soon as reasonably practicable.
- (c) All RCPS which are redeemed or purchased by the Company shall be cancelled immediately and cannot be resold.

(8) Undertaking of the Company

So long as any RCPS remains in issue:

- (a) the Company will send to each holder of the RCPS, by way of information, one copy of every circular, notice or other documents sent to any other shareholders in the Company, at the same time as it sends to such other shareholders; and
- (b) the Company shall keep available during the Conversion Period, free from pre-emptive or other rights, out of its authorised or unissued share capital such number of Shares as would be required to be issued upon the exercise of the Conversion Rights from time to time by the holders of the RCPS during the Conversion Period, and to satisfy in full all other rights of conversion into or exchange or subscription for Shares and shall ensure that all Shares delivered upon conversion will be duly and validly issued and fully paid-up.

Article Existing Provisions

Proposed Amendments

(9) Rights of RCPS holders on liquidation of the Company

In the event of the liquidation or winding-up of the Company, the redemption value of the RCPS not previously redeemed and all arrears of preferential dividend declared and accrued up to the date of commencement of the winding-up shall be paid in priority to any payment to the holders of Shares and other classes of preference shares issued by the Company but there shall be no further or other participation in the profits or assets of the Company.

(10) Rights of RCPS holders to receive notices, reports and attend meetings

The holders of RCPS shall have the right to receive notices, reports and accounts and attend meetings, of which shareholders of Shares are entitled.

(11) Governing law

The RCPS shall be governed by the laws of Malaysia.

LBS BINA GROUP BERHAD

(518482-H)

Extraordinary General Meeting

Ballroom II, Jalan Kelab Tropicana,

Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan

On 15-June-2017 at 10:00AM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	405,284,705	100.000	0	0.000	405,284,705	100.000
Special Resolution 1	405,284,705	100.000	0	0.000	405,284,705	100.000

INFORMATION ON OUR COMPANY

1. HISTORY AND PRINCIPAL ACTIVITIES

Our Company was incorporated on 29 June 2000 in Malaysia under the Companies Act, 1965 as a public limited company. We were listed on the Main Market (formerly known as Main Board) of Bursa Securities on 30 January 2002 after we assumed the listing status of Instangreen Corporation Berhad pursuant to a reverse take-over of Instangreen Corporation Berhad by us.

We are an investment holding company and our subsidiaries are principally involved in property development and construction.

Further details on the principal activities of our subsidiaries are set out in Section 5 of this Appendix II.

2. SHARE CAPITAL

As at the LPD, our issued share capital is set out below:-

	No. of Shares	RM
Issued share capital	673,001,998	756,420,528.01

As at the LPD, our Group has 60,000 treasury shares, 9,740,712 outstanding Warrants A, 60,183,122 Warrants B, and 11,975,900 exercisable ESOS Options.

The details of the changes in our issued share capital for the past 3 years preceding the LPD are set out below:-

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ^{*1} RM	Cumulative no. of Shares	Cumulative issued share capital RM
24.06.2014	3,000	Cash (from exercise of Warrants A)	1.000	507,701,657	507,701,657.00
03.07.2014	10,000	Cash (from exercise of ESOS Options)	1.000	507,711,657	507,711,657.00
03.07.2014	12,800	Cash (from exercise of ESOS Options)	1.000	507,724,457	507,724,457.00
03.07.2014	95,000	Cash (from exercise of ESOS Options)	1.000	507,819,457	507,819,457.00
18.07.2014	50	Cash (from exercise of ESOS Options)	1.000	507,819,507	507,819,507.00
18.07.2014	115,450	Cash (from exercise of ESOS Options)	1.000	507,934,957	507,934,957.00
18.07.2014	15,300	Cash (from exercise of ESOS Options)	1.000	507,950,257	507,950,257.00
23.07.2014	2,000	Cash (from exercise of Warrants A)	1.000	507,952,257	507,952,257.00
06.08.2014	95,200	Cash (from exercise of ESOS Options)	1.000	508,047,457	508,047,457.00
21.08.2014	1,500	Cash (from exercise of ESOS Options)	1.000	508,048,757	508,048,757.00
21.08.2014	20,400	Cash (from exercise of ESOS Options)	1.000	508,069,357	508,069,357.00
21.08.2014	17,400	Cash (from exercise of ESOS Options)	1.000	508,086,757	508,086,757.00
22.08.2014	10,000,000	Cash (from exercise of Warrants A)	1.000	518,086,757	518,086,757.00
03.09.2014	40,000	Cash (from exercise of ESOS Options)	1.000	518,126,757	518,126,757.00
03.10.2014	50	Cash (from exercise of ESOS Options)	1.000	518,126,807	518,126,807.00
03.10.2014	29,750	Cash (from exercise of ESOS Options)	1.000	518,156,557	518,156,557.00
23.10.2014	20,000,000	Cash (from exercise of Warrants A)	1.000	538,156,557	538,156,557.00
19.11.2014	10,000	Cash (from exercise of ESOS Options)	1.000	538,166,557	538,166,557.00
19.11.2014	29,700	Cash (from exercise of ESOS Options)	1.000	538,196,257	538,196,257.00
19.11.2014	3,000	Cash (from exercise of ESOS Options)	1.000	538,199,257	538,199,257.00

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
03.12.2014	59,500	Cash (from exercise of ESOS Options)	1.000	538,258,757	538,258,757.00
03.12.2014	39,500	Cash (from exercise of ESOS Options)	1.000	538,298,257	538,298,257.00
05.01.2015	100,000	Cash (from exercise of Warrants A)	1.000	538,398,257	538,398,257.00
06.01.2015	50,000	Cash (from exercise of ESOS Options)	1.000	538,448,257	538,448,257.00
06.01.2015	21,000	Cash (from exercise of ESOS Options)	1.000	538,469,257	538,469,257.00
09.01.2015	169,100	Cash (from exercise of Warrants A)	1.000	538,638,357	538,638,357.00
14.01.2015	630,000	Cash (from exercise of Warrants A)	1.000	539,268,357	539,268,357.00
15.01.2015	1,150,000	Cash (from exercise of Warrants A)	1.000	540,418,357	540,418,357.00
16.01.2015	1,200	Cash (from exercise of ESOS Options)	1.000	540,419,557	540,419,557.00
16.01.2015	252,200	Cash (from exercise of ESOS Options)	1.000	540,671,757	540,671,757.00
16.01.2015	15,300	Cash (from exercise of ESOS Options)	1.000	540,687,057	540,687,057.00
16.01.2015	27,600	Cash (from exercise of ESOS Options)	1.000	540,714,657	540,714,657.00
19.01.2015	173,300	Cash (from exercise of Warrants A)	1.000	540,887,957	540,887,957.00
30.01.2015	158,000	Cash (from exercise of Warrants A)	1.000	541,045,957	541,045,957.00
04.03.2015	15,000	Cash (from exercise of ESOS Options)	1.000	541,060,957	541,060,957.00
04.03.2015	15,300	Cash (from exercise of ESOS Options)	1.000	541,076,257	541,076,257.00
03.04.2015	15,000	Cash (from exercise of ESOS Options)	1.000	541,091,257	541,091,257.00
03.04.2015	95,200	Cash (from exercise of ESOS Options)	1.000	541,186,457	541,186,457.00
03.04.2015	5,100	Cash (from exercise of ESOS Options)	1.000	541,191,557	541,191,557.00
14.04.2015	60,000	Cash (from exercise of Warrants A)	1.000	541,251,557	541,251,557.00
20.04.2015	140,000	Cash (from exercise of ESOS Options)	1.000	541,391,557	541,391,557.00
20.04.2015	108,000	Cash (from exercise of ESOS Options)	1.000	541,499,557	541,499,557.00
20.04.2015	95,200	Cash (from exercise of ESOS Options)	1.000	541,594,757	541,594,757.00
07.05.2015	16,000	Cash (from exercise of ESOS Options)	1.000	541,610,757	541,610,757.00
07.05.2015	10,000	Cash (from exercise of ESOS Options)	1.000	541,620,757	541,620,757.00
15.05.2015	10,000	Cash (from exercise of Warrants A)	1.000	541,630,757	541,630,757.00
22.05.2015	32,000	Cash (from exercise of ESOS Options)	1.000	541,662,757	541,662,757.00
22.05.2015	86,000	Cash (from exercise of ESOS Options)	1.000	541,748,757	541,748,757.00
22.05.2015	95,200	Cash (from exercise of ESOS Options)	1.000	541,843,957	541,843,957.00
03.06.2015	1,455,500	Cash (from exercise of ESOS Options)	1.000	543,299,457	543,299,457.00
03.06.2015	293,000	Cash (from exercise of ESOS Options)	1.000	543,592,457	543,592,457.00
05.06.2015	133,000	Cash (from exercise of Warrants A)	1.000	543,725,457	543,725,457.00
08.06.2015	100,000	Cash (from exercise of Warrants A)	1.000	543,825,457	543,825,457.00
12.06.2015	30,000	Cash (from exercise of Warrants A)	1.000	543,855,457	543,855,457.00
16.06.2015	47,000	Cash (from exercise of Warrants A)	1.000	543,902,457	543,902,457.00
19.06.2015	28,050	Cash (from exercise of ESOS Options)	1.000	543,930,507	543,930,507.00
19.06.2015	58,850	Cash (from exercise of ESOS Options)	1.000	543,989,357	543,989,357.00
19.06.2015	47,600	Cash (from exercise of ESOS Options)	1.000	544,036,957	544,036,957.00
19.06.2015	5,100	Cash (from exercise of ESOS Options)	1.000	544,042,057	544,042,057.00
22.06.2015	230,000	Cash (from exercise of Warrants A)	1.000	544,272,057	544,272,057.00
24.06.2015	10,000	Cash (from exercise of Warrants A)	1.000	544,282,057	544,282,057.00
26.06.2015	680,500	Cash (from exercise of Warrants A)	1.000	544,962,557	544,962,557.00
01.07.2015	18,900	Cash (from exercise of Warrants A)	1.000	544,981,457	544,981,457.00
02.07.2015	1,426,160	Cash (from exercise of Warrants A)	1.000	546,407,617	546,407,617.00
03.07.2015	53,300	Cash (from exercise of ESOS Options)	1.000	546,460,917	546,460,917.00
03.07.2015	153,000	Cash (from exercise of ESOS Options)	1.000	546,613,917	546,613,917.00
03.07.2015	15,300	Cash (from exercise of ESOS Options)	1.000	546,629,217	546,629,217.00
09.07.2015	800,000	Cash (from exercise of Warrants A)	1.000	547,429,217	547,429,217.00
14.07.2015	660,000	Cash (from exercise of Warrants A)	1.000	548,089,217	548,089,217.00
22.07.2015	15,000	Cash (from exercise of ESOS Options)	1.000	548,104,217	548,104,217.00
24.07.2015	2,000	Cash (from exercise of Warrants A)	1.000	548,106,217	548,106,217.00
31.07.2015	250,000	Cash (from exercise of Warrants A)	1.000	548,356,217	548,356,217.00

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price* ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
07.08.2015	620,000	Cash (from exercise of Warrants A)	1.000	548,976,217	548,976,217.00
12.08.2015	1,612,000	Cash (from exercise of Warrants A)	1.000	550,588,217	550,588,217.00
19.08.2015	7,000	Cash (from exercise of ESOS Options)	1.000	550,595,217	550,595,217.00
04.09.2015	15,000	Cash (from exercise of Warrants A)	1.000	550,610,217	550,610,217.00
09.09.2015	58,000	Cash (from exercise of Warrants A)	1.000	550,668,217	550,668,217.00
11.09.2015	40,000	Cash (from exercise of Warrants A)	1.000	550,708,217	550,708,217.00
15.09.2015	9,900	Cash (from exercise of Warrants A)	1.000	550,718,117	550,718,117.00
18.09.2015	322,900	Cash (from exercise of Warrants A)	1.000	551,041,017	551,041,017.00
22.09.2015	20,000	Cash (from exercise of ESOS Options)	1.000	551,061,017	551,061,017.00
22.09.2015	48,000	Cash (from exercise of ESOS Options)	1.000	551,109,017	551,109,017.00
28.09.2015	1,000	Cash (from exercise of Warrants A)	1.000	551,110,017	551,110,017.00
06.10.2015	97,000	Cash (from exercise of ESOS Options)	1.000	551,207,017	551,207,017.00
20.10.2015	15,000	Cash (from exercise of ESOS Options)	1.000	551,222,017	551,222,017.00
20.10.2015	8,500	Cash (from exercise of ESOS Options)	1.000	551,230,517	551,230,517.00
04.11.2015	29,800	Cash (from exercise of ESOS Options)	1.000	551,260,317	551,260,317.00
09.11.2015	1,500	Cash (from exercise of Warrants B)	1.000	551,261,817	551,261,817.00
18.11.2015	25,000	Cash (from exercise of ESOS Options)	1.000	551,286,817	551,286,817.00
08.12.2015	10,000	Cash (from exercise of Warrants B)	1.000	551,296,817	551,296,817.00
09.12.2015	11,800	Cash (from exercise of Warrants A)	1.000	551,308,617	551,308,617.00
17.12.2015	15,000	Cash (from exercise of Warrants A)	1.000	551,323,617	551,323,617.00
23.12.2015	110,000	Cash (from exercise of Warrants A)	1.000	551,433,617	551,433,617.00
23.12.2015	3,500	Cash (from exercise of Warrants B)	1.000	551,437,117	551,437,117.00
21.03.2016	101,000	Cash (from exercise of ESOS Options)	1.000	551,538,117	551,538,117.00
25.03.2016	120,500	Cash (from exercise of Warrants A)	1.000	551,658,617	551,658,617.00
06.04.2016	1,000	Cash (from exercise of ESOS Options)	1.000	551,659,617	551,659,617.00
06.04.2016	8,500	Cash (from exercise of ESOS Options)	1.000	551,668,117	551,668,117.00
11.04.2016	870,000	Cash (from exercise of Warrants A)	1.000	552,538,117	552,538,117.00
13.04.2016	65,000	Cash (from exercise of Warrants A)	1.000	552,603,117	552,603,117.00
20.04.2016	1,000	Cash (from exercise of Warrants B)	1.000	552,604,117	552,604,117.00
22.04.2016	40,500	Cash (from exercise of ESOS Options)	1.000	552,644,617	552,644,617.00
22.04.2016	79,200	Cash (from exercise of ESOS Options)	1.000	552,723,817	552,723,817.00
22.04.2016	29,700	Cash (from exercise of ESOS Options)	1.000	552,753,517	552,753,517.00
22.04.2016	3,400	Cash (from exercise of ESOS Options)	1.000	552,756,917	552,756,917.00
26.04.2016	8,000	Cash (from exercise of Warrants B)	1.000	552,764,917	552,764,917.00
28.04.2016	8,378,946	Cash (from exercise of Warrants A)	1.000	561,143,863	561,143,863.00
06.05.2016	15,300	Cash (from exercise of ESOS Options)	1.000	561,159,163	561,159,163.00
12.05.2016	300,000	Cash (from exercise of Warrants A)	1.000	561,459,163	561,459,163.00
13.05.2016	301,350	Cash (from exercise of Warrants B)	1.000	561,760,513	561,760,513.00
18.05.2016	15,000	Cash (from exercise of ESOS Options)	1.000	561,775,513	561,775,513.00
20.05.2016	400,000	Cash (from exercise of Warrants A)	1.000	562,175,513	562,175,513.00
27.05.2016	300,000	Cash (from exercise of Warrants A)	1.000	562,475,513	562,475,513.00
01.06.2016	4,000	Cash (from exercise of Warrants B)	1.000	562,479,513	562,479,513.00
03.06.2016	400,000	Cash (from exercise of Warrants A)	1.000	562,879,513	562,879,513.00
07.06.2016	23,800	Cash (from exercise of ESOS Options)	1.000	562,903,313	562,903,313.00
07.06.2016	15,300	Cash (from exercise of ESOS Options)	1.000	562,918,613	562,918,613.00
07.06.2016	50,000	Cash (from exercise of Warrants A)	1.000	562,968,613	562,968,613.00
14.06.2016	80,500	Cash (from exercise of Warrants A)	1.000	563,049,113	563,049,113.00
15.06.2016	33,700	Cash (from exercise of Warrants B)	1.000	563,082,813	563,082,813.00
20.06.2016	1,750	Cash (from exercise of Warrants B)	1.000	563,084,563	563,084,563.00
21.06.2016	350,000	Cash (from exercise of Warrants A)	1.000	563,434,563	563,434,563.00
23.06.2016	40,625	Cash (from exercise of Warrants B)	1.000	563,475,188	563,475,188.00
27.06.2016	324,200	Cash (from exercise of Warrants B)	1.000	563,799,388	563,799,388.00

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
28.06.2016	140,000	Cash (from exercise of ESOS Options)	1.000	563,939,388	563,939,388.00
28.06.2016	3,400	Cash (from exercise of ESOS Options)	1.000	563,942,788	563,942,788.00
28.06.2016	1,700	Cash (from exercise of ESOS Options)	1.000	563,944,488	563,944,488.00
30.06.2016	400,000	Cash (from exercise of Warrants A)	1.000	564,344,488	564,344,488.00
30.06.2016	15,000,000	Cash (from exercise of Warrants B)	1.000	579,344,488	579,344,488.00
11.07.2016	428,000	Cash (from exercise of Warrants A)	1.000	579,772,488	579,772,488.00
14.07.2016	1,130,500	Cash (from exercise of Warrants A)	1.000	580,902,988	580,902,988.00
19.07.2016	10,000	Cash (from exercise of Warrants A)	1.000	580,912,988	580,912,988.00
20.07.2016	12,080,000	Cash (from exercise of Warrants B)	1.000	592,992,988	592,992,988.00
21.07.2016	820,300	Cash (from exercise of Warrants A)	1.000	593,813,288	593,813,288.00
22.07.2016	122,000	Cash (from exercise of Warrants B)	1.000	593,935,288	593,935,288.00
25.07.2016	844,900	Cash (from exercise of Warrants A)	1.000	594,780,188	594,780,188.00
25.07.2016	1,200,000	Cash (from exercise of Warrants B)	1.000	595,980,188	595,980,188.00
26.07.2016	1,840,000	Cash (from exercise of Warrants B)	1.000	597,820,188	597,820,188.00
26.07.2016	2,000	Cash (from exercise of ESOS Options)	1.000	597,822,188	597,822,188.00
26.07.2016	38,000	Cash (from exercise of ESOS Options)	1.000	597,860,188	597,860,188.00
26.07.2016	30,000	Cash (from exercise of ESOS Options)	1.000	597,890,188	597,890,188.00
27.07.2016	315,000	Cash (from exercise of Warrants A)	1.000	598,205,188	598,205,188.00
27.07.2016	880,000	Cash (from exercise of Warrants B)	1.000	599,085,188	599,085,188.00
28.07.2016	1,130,500	Cash (from exercise of Warrants A)	1.000	600,215,688	600,215,688.00
01.08.2016	4,000,000	Cash (from exercise of Warrants B)	1.000	604,215,688	604,215,688.00
02.08.2016	40,600	Cash (from exercise of Warrants A)	1.000	604,256,288	604,256,288.00
04.08.2016	249,100	Cash (from exercise of Warrants A)	1.000	604,505,388	604,505,388.00
04.08.2016	5,000	Cash (from exercise of ESOS Options)	1.000	604,510,388	604,510,388.00
04.08.2016	6,100	Cash (from exercise of ESOS Options)	1.000	604,516,488	604,516,488.00
04.08.2016	8,500	Cash (from exercise of ESOS Options)	1.000	604,524,988	604,524,988.00
04.08.2016	15,000	Cash (from exercise of ESOS Options)	1.000	604,539,988	604,539,988.00
04.08.2016	30,300	Cash (from exercise of ESOS Options)	1.000	604,570,288	604,570,288.00
04.08.2016	139,800	Cash (from exercise of ESOS Options)	1.000	604,710,088	604,710,088.00
08.08.2016	2,312,260	Cash (from exercise of Warrants A)	1.000	607,022,348	607,022,348.00
08.08.2016	252,500	Cash (from exercise of Warrants B)	1.000	607,274,848	607,274,848.00
08.08.2016	5,126,500	Cash (from exercise of Warrants B)	1.000	612,401,348	612,401,348.00
10.08.2016	547,000	Cash (from exercise of Warrants A)	1.000	612,948,348	612,948,348.00
15.08.2016	6,250	Cash (from exercise of Warrants B)	1.000	612,954,598	612,954,598.00
17.08.2016	8,000	Cash (from exercise of Warrants A)	1.000	612,962,598	612,962,598.00
19.08.2016	48,000	Cash (from exercise of ESOS Options)	1.000	613,010,598	613,010,598.00
22.08.2016	30,000	Cash (from exercise of Warrants A)	1.000	613,040,598	613,040,598.00
24.08.2016	20,000	Cash (from exercise of Warrants A)	1.000	613,060,598	613,060,598.00
07.09.2016	20,000	Cash (from exercise of ESOS Options)	1.000	613,080,598	613,080,598.00
07.09.2016	2,400	Cash (from exercise of ESOS Options)	1.000	613,082,998	613,082,998.00
07.09.2016	8,500	Cash (from exercise of ESOS Options)	1.000	613,091,498	613,091,498.00
07.09.2016	15,300	Cash (from exercise of ESOS Options)	1.000	613,106,798	613,106,798.00
07.09.2016	37,000	Cash (from exercise of ESOS Options)	1.000	613,143,798	613,143,798.00
07.09.2016	3,280,000	Cash (from exercise of Warrants B)	1.000	616,423,798	616,423,798.00
08.09.2016	300,000	Cash (from exercise of Warrants A)	1.000	616,723,798	616,723,798.00
13.09.2016	30,000	Cash (from exercise of Warrants A)	1.000	616,753,798	616,753,798.00
13.09.2016	11,720,000	Cash (from exercise of Warrants B)	1.000	628,473,798	628,473,798.00
15.09.2016	1,441,700	Cash (from exercise of Warrants A)	1.000	629,915,498	629,915,498.00
22.09.2016	500	Cash (from exercise of ESOS Options)	1.000	629,915,998	629,915,998.00
22.09.2016	53,000	Cash (from exercise of ESOS Options)	1.000	629,968,998	629,968,998.00
22.09.2016	8,500	Cash (from exercise of ESOS Options)	1.000	629,977,498	629,977,498.00
22.09.2016	45,000	Cash (from exercise of ESOS Options)	1.000	630,022,498	630,022,498.00

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
22.09.2016	1,300	Cash (from exercise of ESOS Options)	1.000	630,023,798	630,023,798.00
22.09.2016	40,000	Cash (from exercise of ESOS Options)	1.000	630,063,798	630,063,798.00
22.09.2016	62,900	Cash (from exercise of ESOS Options)	1.000	630,126,698	630,126,698.00
22.09.2016	45,300	Cash (from exercise of ESOS Options)	1.000	630,171,998	630,171,998.00
22.09.2016	37,800	Cash (from exercise of ESOS Options)	1.000	630,209,798	630,209,798.00
22.09.2016	137,600	Cash (from exercise of ESOS Options)	1.000	630,347,398	630,347,398.00
22.09.2016	30,600	Cash (from exercise of ESOS Options)	1.000	630,377,998	630,377,998.00
22.09.2016	15,300	Cash (from exercise of ESOS Options)	1.000	630,393,298	630,393,298.00
22.09.2016	15,300	Cash (from exercise of ESOS Options)	1.000	630,408,598	630,408,598.00
22.09.2016	13,600	Cash (from exercise of ESOS Options)	1.000	630,422,198	630,422,198.00
22.09.2016	15,300	Cash (from exercise of ESOS Options)	1.000	630,437,498	630,437,498.00
23.09.2016	829,200	Cash (from exercise of Warrants A)	1.000	631,266,698	631,266,698.00
26.09.2016	117,275	Cash (from exercise of Warrants B)	1.000	631,383,973	631,383,973.00
28.09.2016	101,500	Cash (from exercise of Warrants A)	1.000	631,485,473	631,485,473.00
04.10.2016	1,743,300	Cash (from exercise of Warrants A)	1.000	633,228,773	633,228,773.00
04.10.2016	2,066,300	Cash (from exercise of Warrants B)	1.000	635,295,073	635,295,073.00
06.10.2016	320,000	Cash (from exercise of Warrants A)	1.000	635,615,073	635,615,073.00
06.10.2016	687,000	Cash (from exercise of Warrants B)	1.000	636,302,073	636,302,073.00
10.10.2016	7,500	Cash (from exercise of ESOS Options)	1.000	636,309,573	636,309,573.00
10.10.2016	102,500	Cash (from exercise of ESOS Options)	1.000	636,412,073	636,412,073.00
10.10.2016	39,700	Cash (from exercise of ESOS Options)	1.000	636,451,773	636,451,773.00
10.10.2016	20,400	Cash (from exercise of ESOS Options)	1.000	636,472,173	636,472,173.00
10.10.2016	97,700	Cash (from exercise of ESOS Options)	1.000	636,569,873	636,569,873.00
10.10.2016	47,600	Cash (from exercise of ESOS Options)	1.000	636,617,473	636,617,473.00
10.10.2016	105,600	Cash (from exercise of ESOS Options)	1.000	636,723,073	636,723,073.00
10.10.2016	103,700	Cash (from exercise of ESOS Options)	1.000	636,826,773	636,826,773.00
10.10.2016	2,800	Cash (from exercise of ESOS Options)	1.000	636,829,573	636,829,573.00
10.10.2016	120,500	Cash (from exercise of ESOS Options)	1.000	636,950,073	636,950,073.00
10.10.2016	19,600	Cash (from exercise of ESOS Options)	1.000	636,969,673	636,969,673.00
10.10.2016	156,000	Cash (from exercise of ESOS Options)	1.000	637,125,673	637,125,673.00
10.10.2016	8,500	Cash (from exercise of ESOS Options)	1.000	637,134,173	637,134,173.00
10.10.2016	2,500	Cash (from exercise of ESOS Options)	1.000	637,136,673	637,136,673.00
10.10.2016	14,500	Cash (from exercise of ESOS Options)	1.000	637,151,173	637,151,173.00
10.10.2016	8,500	Cash (from exercise of ESOS Options)	1.000	637,159,673	637,159,673.00
10.10.2016	98,600	Cash (from exercise of ESOS Options)	1.000	637,258,273	637,258,273.00
10.10.2016	12,000	Cash (from exercise of ESOS Options)	1.000	637,270,273	637,270,273.00
10.10.2016	8,500	Cash (from exercise of ESOS Options)	1.000	637,278,773	637,278,773.00
10.10.2016	40,600	Cash (from exercise of ESOS Options)	1.000	637,319,373	637,319,373.00
10.10.2016	3,400	Cash (from exercise of ESOS Options)	1.000	637,322,773	637,322,773.00
12.10.2016	30,000	Cash (from exercise of Warrants A)	1.000	637,352,773	637,352,773.00
12.10.2016	40,000	Cash (from exercise of Warrants B)	1.000	637,392,773	637,392,773.00
17.10.2016	88,000	Cash (from exercise of Warrants B)	1.000	637,480,773	637,480,773.00
19.10.2016	30,500	Cash (from exercise of Warrants A)	1.000	637,511,273	637,511,273.00
21.10.2016	15,300	Cash (from exercise of ESOS Options)	1.000	637,526,573	637,526,573.00
21.10.2016	20,400	Cash (from exercise of ESOS Options)	1.000	637,546,973	637,546,973.00
21.10.2016	15,300	Cash (from exercise of ESOS Options)	1.000	637,562,273	637,562,273.00
21.10.2016	22,100	Cash (from exercise of ESOS Options)	1.000	637,584,373	637,584,373.00
21.10.2016	8,500	Cash (from exercise of ESOS Options)	1.000	637,592,873	637,592,873.00
25.10.2016	50,000	Cash (from exercise of Warrants A)	1.000	637,642,873	637,642,873.00
28.10.2016	51,000	Cash (from exercise of Warrants A)	1.000	637,693,873	637,693,873.00
03.11.2016	3,000,000	Cash (from exercise of Warrants B)	1.000	640,693,873	640,693,873.00
03.11.2016	15,000	Cash (from exercise of Warrants A)	1.000	640,708,873	640,708,873.00

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price* ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
08.11.2016	30,000	Cash (from exercise of ESOS Options)	1.000	640,738,873	640,738,873.00
08.11.2016	15,000	Cash (from exercise of ESOS Options)	1.000	640,753,873	640,753,873.00
08.11.2016	3,000	Cash (from exercise of ESOS Options)	1.000	640,756,873	640,756,873.00
08.11.2016	5,100	Cash (from exercise of ESOS Options)	1.000	640,761,973	640,761,973.00
08.11.2016	6,000	Cash (from exercise of ESOS Options)	1.000	640,767,973	640,767,973.00
08.11.2016	1,000	Cash (from exercise of ESOS Options)	1.000	640,768,973	640,768,973.00
08.11.2016	40,100	Cash (from exercise of ESOS Options)	1.000	640,809,073	640,809,073.00
08.11.2016	40,500	Cash (from exercise of ESOS Options)	1.000	640,849,573	640,849,573.00
08.11.2016	7,700	Cash (from exercise of ESOS Options)	1.000	640,857,273	640,857,273.00
08.11.2016	43,300	Cash (from exercise of ESOS Options)	1.000	640,900,573	640,900,573.00
08.11.2016	18,700	Cash (from exercise of ESOS Options)	1.000	640,919,273	640,919,273.00
08.11.2016	95,200	Cash (from exercise of ESOS Options)	1.000	641,014,473	641,014,473.00
10.11.2016	15,000	Cash (from exercise of Warrants A)	1.000	641,029,473	641,029,473.00
10.11.2016	20,000	Cash (from exercise of Warrants B)	1.000	641,049,473	641,049,473.00
16.11.2016	10,500	Cash (from exercise of Warrants A)	1.000	641,059,973	641,059,973.00
16.11.2016	45,000	Cash (from exercise of Warrants B)	1.000	641,104,973	641,104,973.00
23.11.2016	4,700	Cash (from exercise of ESOS Options)	1.000	641,109,673	641,109,673.00
23.11.2016	7,000	Cash (from exercise of ESOS Options)	1.000	641,116,673	641,116,673.00
30.11.2016	30,000	Cash (from exercise of Warrants A)	1.000	641,146,673	641,146,673.00
02.12.2016	10,500	Cash (from exercise of Warrants A)	1.000	641,157,173	641,157,173.00
06.12.2016	15,000	Cash (from exercise of ESOS Options)	1.000	641,172,173	641,172,173.00
06.12.2016	300	Cash (from exercise of ESOS Options)	1.000	641,172,473	641,172,473.00
06.12.2016	8,600	Cash (from exercise of ESOS Options)	1.000	641,181,073	641,181,073.00
06.12.2016	15,000	Cash (from exercise of ESOS Options)	1.000	641,196,073	641,196,073.00
06.12.2016	8,500	Cash (from exercise of ESOS Options)	1.000	641,204,573	641,204,573.00
21.12.2016	30,000	Cash (from exercise of ESOS Options)	1.000	641,234,573	641,234,573.00
21.12.2016	95,200	Cash (from exercise of ESOS Options)	1.000	641,329,773	641,329,773.00
22.12.2016	27,700	Cash (from exercise of Warrants B)	1.000	641,357,473	641,357,473.00
29.12.2016	67,000	Cash (from exercise of Warrants A)	1.000	641,424,473	641,424,473.00
06.01.2017	85,000	Cash (from exercise of ESOS Options)	1.000	641,509,473	641,509,473.00
06.01.2017	16,000	Cash (from exercise of ESOS Options)	1.000	641,525,473	641,525,473.00
06.01.2017	20,000	Cash (from exercise of ESOS Options)	1.000	641,545,473	641,545,473.00
06.01.2017	5,000	Cash (from exercise of ESOS Options)	1.000	641,550,473	641,550,473.00
13.01.2017	210,000	Cash (from exercise of Warrants A)	1.000	641,760,473	641,760,473.00
20.01.2017	442,900	Cash (from exercise of Warrants A)	1.000	642,203,373	642,203,373.00
23.01.2017	50,400	Cash (from exercise of ESOS Options)	1.000	642,253,773	642,253,773.00
23.01.2017	77,300	Cash (from exercise of ESOS Options)	1.000	642,331,073	642,331,073.00
23.01.2017	40,470	Cash (from exercise of ESOS Options)	1.000	642,371,543	642,371,543.00
23.01.2017	15,300	Cash (from exercise of ESOS Options)	1.000	642,386,843	642,386,843.00
26.01.2017	1,186,200	Cash (from exercise of Warrants B)	1.000	643,573,043	643,573,043.00
02.02.2017	515,600	Cash (from exercise of Warrants A)	1.000	644,088,643	718,783,498.87
02.02.2017	160,000	Cash (from exercise of Warrants B)	1.250	644,248,643	718,983,498.87
06.02.2017	4,700	Cash (from exercise of Warrants A)	1.000	644,253,343	718,988,668.87
06.02.2017	15,300	Cash (from exercise of Warrants B)	1.250	644,268,643	719,007,793.87
08.02.2017	8,500	Cash (from exercise of ESOS Options)	1.350	644,277,143	719,019,268.87
08.02.2017	29,800	Cash (from exercise of ESOS Options)	1.400	644,306,943	719,060,988.87
08.02.2017	15,000	Cash (from exercise of ESOS Options)	1.400	644,321,943	719,081,988.87
08.02.2017	4,000	Cash (from exercise of ESOS Options)	1.330	644,325,943	719,087,308.87
08.02.2017	500,500	Cash (from exercise of Warrants A)	1.000	644,826,443	719,637,858.87
08.02.2017	377,300	Cash (from exercise of Warrants B)	1.250	645,203,743	720,109,483.87
14.02.2017	446,700	Cash (from exercise of Warrants A)	1.000	645,650,443	720,600,853.87
14.02.2017	518,300	Cash (from exercise of Warrants B)	1.250	646,168,743	721,248,728.87

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17.02.2017	312,100	Cash (from exercise of Warrants A)	1.000	646,480,843	721,592,038.87
17.02.2017	22,750	Cash (from exercise of Warrants B)	1.250	646,503,593	721,620,476.37
21.02.2017	194,500	Cash (from exercise of Warrants A)	1.000	646,698,093	721,834,426.37
21.02.2017	1,723,300	Cash (from exercise of Warrants B)	1.250	648,421,393	723,988,551.37
23.02.2017	485,000	Cash (from exercise of Warrants A)	1.000	648,906,393	724,522,051.37
23.02.2017	1,079,200	Cash (from exercise of Warrants B)	1.250	649,985,593	725,871,051.37
23.02.2017	600,000	Cash (from exercise of ESOS Options)	1.000	650,585,593	726,471,051.37
23.02.2017	30,000	Cash (from exercise of ESOS Options)	1.180	650,615,593	726,506,451.37
23.02.2017	10,000	Cash (from exercise of ESOS Options)	1.230	650,625,593	726,518,751.37
23.02.2017	119,030	Cash (from exercise of ESOS Options)	1.330	650,744,623	726,677,061.27
23.02.2017	15,300	Cash (from exercise of ESOS Options)	1.350	650,759,923	726,697,716.27
23.02.2017	8,500	Cash (from exercise of ESOS Options)	1.400	650,768,423	726,709,616.27
23.02.2017	32,300	Cash (from exercise of ESOS Options)	1.420	650,800,723	726,755,482.27
23.02.2017	47,600	Cash (from exercise of ESOS Options)	1.450	650,848,323	726,824,502.27
23.02.2017	47,600	Cash (from exercise of ESOS Options)	1.540	650,895,923	726,897,806.27
23.02.2017	53,600	Cash (from exercise of ESOS Options)	1.550	650,949,523	726,980,886.27
27.02.2017	148,300	Cash (from exercise of Warrants A)	1.000	651,097,823	727,144,016.27
27.02.2017	188,575	Cash (from exercise of Warrants B)	1.250	651,286,398	727,379,735.02
01.03.2017	75,000	Cash (from exercise of Warrants A)	1.000	651,361,398	727,462,235.02
01.03.2017	89,800	Cash (from exercise of Warrants B)	1.250	651,451,198	727,574,485.02
03.03.2017	424,900	Cash (from exercise of Warrants A)	1.000	651,876,098	728,041,875.02
03.03.2017	180,600	Cash (from exercise of Warrants B)	1.250	652,056,698	728,267,625.02
07.03.2017	342,000	Cash (from exercise of Warrants A)	1.000	652,398,698	728,643,825.02
07.03.2017	120,000	Cash (from exercise of Warrants B)	1.250	652,518,698	728,793,825.02
08.03.2017	73,000	Cash (from exercise of ESOS Options)	1.081	652,591,698	728,872,738.02
08.03.2017	50,000	Cash (from exercise of ESOS Options)	1.180	652,641,698	728,931,738.02
08.03.2017	3,400	Cash (from exercise of ESOS Options)	1.230	652,645,098	728,935,920.02
08.03.2017	8,500	Cash (from exercise of ESOS Options)	1.290	652,653,598	728,946,885.02
08.03.2017	112,500	Cash (from exercise of ESOS Options)	1.330	652,766,098	729,096,510.02
08.03.2017	149,200	Cash (from exercise of ESOS Options)	1.350	652,915,298	729,297,930.02
08.03.2017	32,900	Cash (from exercise of ESOS Options)	1.400	652,948,198	729,343,990.02
08.03.2017	98,600	Cash (from exercise of ESOS Options)	1.410	653,046,798	729,483,016.02
08.03.2017	65,300	Cash (from exercise of ESOS Options)	1.420	653,112,098	729,575,742.02
08.03.2017	6,000	Cash (from exercise of ESOS Options)	1.430	653,118,098	729,584,322.02
08.03.2017	34,800	Cash (from exercise of ESOS Options)	1.440	653,152,898	729,634,434.02
08.03.2017	56,100	Cash (from exercise of ESOS Options)	1.480	653,208,998	729,717,462.02
08.03.2017	3,300	Cash (from exercise of ESOS Options)	1.500	653,212,298	729,722,412.02
08.03.2017	9,500	Cash (from exercise of ESOS Options)	1.510	653,221,798	729,736,757.02
08.03.2017	10,000	Cash (from exercise of ESOS Options)	1.540	653,231,798	729,752,157.02
08.03.2017	47,600	Cash (from exercise of ESOS Options)	1.560	653,279,398	729,826,413.02
08.03.2017	8,500	Cash (from exercise of ESOS Options)	1.570	653,287,898	729,839,758.02
08.03.2017	97,200	Cash (from exercise of ESOS Options)	1.610	653,385,098	729,996,250.02
09.03.2017	199,700	Cash (from exercise of Warrants A)	1.000	653,584,798	730,215,920.02
09.03.2017	340,250	Cash (from exercise of Warrants B)	1.250	653,925,048	730,641,232.52
13.03.2017	573,000	Cash (from exercise of Warrants A)	1.000	654,498,048	731,271,532.52
13.03.2017	189,550	Cash (from exercise of Warrants B)	1.250	654,687,598	731,508,470.02
15.03.2017	371,600	Cash (from exercise of Warrants A)	1.000	655,059,198	731,917,230.02
15.03.2017	250	Cash (from exercise of Warrants B)	1.250	655,059,448	731,917,542.52
23.03.2017	20,100	Cash (from exercise of ESOS Options)	1.081	655,079,548	731,939,270.62
23.03.2017	136,100	Cash (from exercise of ESOS Options)	1.180	655,215,648	732,099,868.62
23.03.2017	8,000	Cash (from exercise of ESOS Options)	1.220	655,223,648	732,109,628.62
23.03.2017	8,500	Cash (from exercise of ESOS Options)	1.230	655,232,148	732,120,083.62

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ^{*1} RM	Cumulative no. of Shares	Cumulative issued share capital RM
23.03.2017	7,600	Cash (from exercise of ESOS Options)	1.280	655,239,748	732,129,811.62
23.03.2017	2,000	Cash (from exercise of ESOS Options)	1.330	655,241,748	732,132,471.62
23.03.2017	94,700	Cash (from exercise of ESOS Options)	1.350	655,336,448	732,260,316.62
23.03.2017	8,500	Cash (from exercise of ESOS Options)	1.400	655,344,948	732,272,216.62
23.03.2017	84,700	Cash (from exercise of ESOS Options)	1.420	655,429,648	732,392,490.62
23.03.2017	59,500	Cash (from exercise of ESOS Options)	1.450	655,489,148	732,478,765.62
23.03.2017	47,600	Cash (from exercise of ESOS Options)	1.500	655,536,748	732,550,165.62
23.03.2017	33,100	Cash (from exercise of ESOS Options)	1.520	655,569,848	732,600,477.62
23.03.2017	10,200	Cash (from exercise of ESOS Options)	1.540	655,580,048	732,616,185.62
23.03.2017	12,800	Cash (from exercise of ESOS Options)	1.550	655,592,848	732,636,025.62
23.03.2017	20,000	Cash (from exercise of ESOS Options)	1.560	655,612,848	732,667,225.62
23.03.2017	13,600	Cash (from exercise of ESOS Options)	1.570	655,626,448	732,688,577.62
23.03.2017	2,500	Cash (from exercise of ESOS Options)	1.609	655,628,948	732,692,600.12
23.03.2017	267,300	Cash (from exercise of Warrants A)	1.000	655,896,248	732,986,630.12
28.03.2017	1,006,400	Cash (from exercise of Warrants A)	1.000	656,902,648	734,093,670.12
31.03.2017	-	Reclassification of share-based payment ^{*2}	-	656,902,648	735,548,881.25
03.04.2017	30,500	Cash (from exercise of Warrants A)	1.000	656,933,148	735,582,431.25
03.04.2017	19,000	Cash (from exercise of Warrants B)	1.250	656,952,148	735,606,181.25
07.04.2017	65,000	Cash (from exercise of Warrants A)	1.000	657,017,148	735,677,681.25
11.04.2017	1,250	Cash (from exercise of ESOS Options)	1.000	657,018,398	735,678,931.25
11.04.2017	89,650	Cash (from exercise of ESOS Options)	1.081	657,108,048	735,775,842.90
11.04.2017	26,400	Cash (from exercise of ESOS Options)	1.180	657,134,448	735,806,994.90
11.04.2017	13,000	Cash (from exercise of ESOS Options)	1.230	657,147,448	735,822,984.90
11.04.2017	15,300	Cash (from exercise of ESOS Options)	1.280	657,162,748	735,842,568.90
11.04.2017	139,400	Cash (from exercise of ESOS Options)	1.330	657,302,148	736,027,970.90
11.04.2017	111,000	Cash (from exercise of ESOS Options)	1.350	657,413,148	736,177,820.90
11.04.2017	8,500	Cash (from exercise of ESOS Options)	1.400	657,421,648	736,189,720.90
11.04.2017	5,100	Cash (from exercise of ESOS Options)	1.410	657,426,748	736,196,911.90
11.04.2017	56,800	Cash (from exercise of ESOS Options)	1.420	657,483,548	736,277,567.90
11.04.2017	66,000	Cash (from exercise of ESOS Options)	1.430	657,549,548	736,371,947.90
11.04.2017	3,400	Cash (from exercise of ESOS Options)	1.440	657,552,948	736,376,843.90
11.04.2017	158,400	Cash (from exercise of ESOS Options)	1.450	657,711,348	736,606,523.90
11.04.2017	8,400	Cash (from exercise of ESOS Options)	1.480	657,719,748	736,618,955.90
11.04.2017	3,400	Cash (from exercise of ESOS Options)	1.500	657,723,148	736,624,055.90
11.04.2017	13,600	Cash (from exercise of ESOS Options)	1.510	657,736,748	736,644,591.90
11.04.2017	8,500	Cash (from exercise of ESOS Options)	1.520	657,745,248	736,657,511.90
11.04.2017	131,500	Cash (from exercise of ESOS Options)	1.540	657,876,748	736,860,021.90
11.04.2017	11,900	Cash (from exercise of ESOS Options)	1.550	657,888,648	736,878,466.90
11.04.2017	2,000	Cash (from exercise of ESOS Options)	1.610	657,890,648	736,881,686.90
12.04.2017	648,300	Cash (from exercise of Warrants A)	1.000	658,538,948	737,594,816.90
18.04.2017	900,000	Cash (from exercise of Warrants A)	1.000	659,438,948	738,584,816.90
18.04.2017	358,500	Cash (from exercise of Warrants B)	1.250	659,797,448	739,032,941.90
21.04.2017	190,900	Cash (from exercise of Warrants A)	1.000	659,988,348	739,242,931.90
21.04.2017	123,825	Cash (from exercise of Warrants B)	1.250	660,112,173	739,397,713.15
25.04.2017	540,500	Cash (from exercise of Warrants A)	1.000	660,652,673	739,992,263.15
28.04.2017	549,000	Cash (from exercise of Warrants A)	1.000	661,201,673	740,596,163.15
28.04.2017	387,750	Cash (from exercise of Warrants B)	1.250	661,589,423	741,080,850.65
28.04.2017	15,800	Cash (from exercise of ESOS Options)	1.081	661,605,223	741,097,930.45
28.04.2017	119,000	Cash (from exercise of ESOS Options)	1.180	661,724,223	741,238,350.45
28.04.2017	8,500	Cash (from exercise of ESOS Options)	1.330	661,732,723	741,249,655.45
28.04.2017	2,500	Cash (from exercise of ESOS Options)	1.400	661,735,223	741,253,155.45
28.04.2017	61,200	Cash (from exercise of ESOS Options)	1.400	661,796,423	741,338,835.45

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ¹ RM	Cumulative no. of Shares	Cumulative issued share capital RM
28.04.2017	30,300	Cash (from exercise of ESOS Options)	1.420	661,826,723	741,381,861.45
28.04.2017	3,400	Cash (from exercise of ESOS Options)	1.430	661,830,123	741,386,723.45
28.04.2017	96,300	Cash (from exercise of ESOS Options)	1.480	661,926,423	741,529,247.45
28.04.2017	28,800	Cash (from exercise of ESOS Options)	1.510	661,955,223	741,572,735.45
28.04.2017	8,500	Cash (from exercise of ESOS Options)	1.510	661,963,723	741,585,570.45
28.04.2017	47,600	Cash (from exercise of ESOS Options)	1.530	662,011,323	741,658,398.45
28.04.2017	15,300	Cash (from exercise of ESOS Options)	1.540	662,026,623	741,681,960.45
28.04.2017	15,300	Cash (from exercise of ESOS Options)	1.550	662,041,923	741,705,675.45
28.04.2017	15,300	Cash (from exercise of ESOS Options)	1.560	662,057,223	741,729,543.45
28.04.2017	11,900	Cash (from exercise of ESOS Options)	1.710	662,069,123	741,749,892.45
30.04.2017	-	Reclassification of share-based payment ²	-	662,069,123	742,319,263.81
03.05.2017	140,000	Cash (from exercise of Warrants A)	1.000	662,209,123	742,473,263.81
08.05.2017	236,000	Cash (from exercise of Warrants A)	1.000	662,445,123	742,732,863.81
11.05.2017	200,000	Cash (from exercise of ESOS Options)	1.000	662,645,123	742,932,863.81
11.05.2017	5,100	Cash (from exercise of ESOS Options)	1.220	662,650,223	742,939,085.81
11.05.2017	6,500	Cash (from exercise of ESOS Options)	1.330	662,656,723	742,947,730.81
11.05.2017	3,400	Cash (from exercise of ESOS Options)	1.400	662,660,123	742,952,490.81
11.05.2017	5,100	Cash (from exercise of ESOS Options)	1.410	662,665,223	742,959,681.81
11.05.2017	900	Cash (from exercise of ESOS Options)	1.420	662,666,123	742,960,959.81
11.05.2017	3,500	Cash (from exercise of ESOS Options)	1.440	662,669,623	742,965,999.81
11.05.2017	119,000	Cash (from exercise of ESOS Options)	1.450	662,788,623	743,138,549.81
11.05.2017	8,500	Cash (from exercise of ESOS Options)	1.455	662,797,123	743,150,917.31
11.05.2017	8,500	Cash (from exercise of ESOS Options)	1.520	662,805,623	743,163,837.31
11.05.2017	5,100	Cash (from exercise of ESOS Options)	1.600	662,810,723	743,171,997.31
11.05.2017	47,600	Cash (from exercise of ESOS Options)	1.610	662,858,323	743,248,633.31
11.05.2017	722,300	Cash (from exercise of Warrants A)	1.000	663,580,623	744,043,163.31
11.05.2017	1,427,100	Cash (from exercise of Warrants B)	1.250	665,007,723	745,827,038.31
15.05.2017	-	Reclassification of share-based payment ²	-	665,007,723	746,062,458.63
16.05.2017	269,400	Cash (from exercise of Warrants A)	1.000	665,277,123	746,358,798.63
16.05.2017	274,850	Cash (from exercise of Warrants B)	1.250	665,551,973	746,702,361.13
18.05.2017	397,700	Cash (from exercise of Warrants A)	1.000	665,949,673	747,139,831.13
18.05.2017	33,000	Cash (from exercise of Warrants B)	1.250	665,982,673	747,181,081.13
22.05.2017	47,500	Cash (from exercise of Warrants A)	1.000	666,030,173	747,233,331.13
22.05.2017	416,100	Cash (from exercise of Warrants B)	1.250	666,446,273	747,753,456.13
25.05.2017	65,000	Cash (from exercise of Warrants A)	1.000	666,511,273	747,824,956.13
25.05.2017	43,250	Cash (from exercise of Warrants B)	1.250	666,554,523	747,879,018.63
25.05.2017	100,000	Cash (from exercise of ESOS Options)	1.000	666,654,523	747,991,406.13
25.05.2017	19,500	Cash (from exercise of ESOS Options)	1.081	666,674,023	748,019,291.13
25.05.2017	13,100	Cash (from exercise of ESOS Options)	1.180	666,687,123	748,040,442.39
25.05.2017	29,700	Cash (from exercise of ESOS Options)	1.230	666,716,823	748,091,315.52
25.05.2017	15,000	Cash (from exercise of ESOS Options)	1.290	666,731,823	748,118,420.52
25.05.2017	67,900	Cash (from exercise of ESOS Options)	1.330	666,799,723	748,243,971.63
25.05.2017	41,550	Cash (from exercise of ESOS Options)	1.350	666,841,273	748,326,045.35
25.05.2017	165,700	Cash (from exercise of ESOS Options)	1.400	667,006,973	748,643,211.72
25.05.2017	8,500	Cash (from exercise of ESOS Options)	1.410	667,015,473	748,659,805.42
25.05.2017	108,350	Cash (from exercise of ESOS Options)	1.420	667,123,823	748,873,514.96
25.05.2017	124,100	Cash (from exercise of ESOS Options)	1.440	667,247,923	749,127,580.13
25.05.2017	79,600	Cash (from exercise of ESOS Options)	1.510	667,327,523	749,289,045.42
25.05.2017	10,000	Cash (from exercise of ESOS Options)	1.540	667,337,523	749,311,845.42
25.05.2017	8,500	Cash (from exercise of ESOS Options)	1.560	667,346,023	749,333,893.57
25.05.2017	50,600	Cash (from exercise of ESOS Options)	1.600	667,396,623	749,444,292.65

Date of allotment	No. of Shares allotted	Consideration/ Type of issue	Par value or issue price ^{*1} RM	Cumulative no. of Shares	Cumulative issued share capital RM
25.05.2017	52,800	Cash (from exercise of ESOS Options)	1.610	667,449,423	749,559,132.65
25.05.2017	34,000	Cash (from exercise of ESOS Options)	1.710	667,483,423	749,637,244.25
25.05.2017	-	Reclassification of share-based payment ^{*2}	-	667,483,423	749,653,514.26
30.05.2017	20,000	Cash (from exercise of Warrants A)	1.000	667,503,423	749,675,514.26
30.05.2017	5,000	Cash (from exercise of Warrants B)	1.250	667,508,423	749,681,764.26
31.05.2017	65,000	Cash (from exercise of Warrants A)	1.000	667,573,423	749,753,264.26
31.05.2017	164,250	Cash (from exercise of Warrants B)	1.250	667,737,673	749,958,576.76
05.06.2017	49,000	Cash (from exercise of Warrants A)	1.000	667,786,673	750,012,476.76
06.06.2017	1,665,525	Cash (from exercise of Warrants B)	1.250	669,452,198	752,094,383.01
09.06.2017	451,600	Cash (from exercise of Warrants A)	1.000	669,903,798	752,591,143.01
13.06.2017	1,401,400	Cash (from exercise of Warrants B)	1.250	671,305,198	754,342,893.01
15.06.2017	289,100	Cash (from exercise of Warrants A)	1.000	671,594,298	754,660,903.01
15.06.2017	1,407,700	Cash (from exercise of Warrants B)	1.250	673,001,998	756,420,528.01

Notes:-

*1 Prior to the commencement of the Act, which was 31 January 2017, the number of shares is the same as the issued share capital as the par value of LBGB Shares was RM1.00. Arising from the migration to no par value regime under the Act, par or nominal value is no longer relevant. As such, after 31 January 2017, the respective issue prices of the Warrants A, Warrants B and ESOS Options were disclosed accordingly. In addition, the amount in the issued share capital combined the share capital and the share premium.

*2 Arising from the reclassification of share-based payment from ESOS reserve to share premium due to exercise of ESOS Options.

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3. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The shareholdings of our substantial shareholders as at the LPD and after the Rights Issue are set out below:-

Minimum Scenario

Substantial shareholders	Shareholdings as at the LPD				After the Rights Issue				After I and assuming full conversion of the RCPS			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Gaterich	294,958,106	43.83	-	-	294,958,106	43.83	-	-	324,453,916	46.09 ³	-	-
Tan Sri Lim Hock San	3,808,200	0.57	294,958,106 ^{*1}	43.83	3,808,200	0.57	294,958,106 ^{*1}	43.83	4,189,020	0.60 ³	324,453,916 ^{*1}	46.09
Datuk Wira Lim Hock Guan	10,872,360	1.62	294,958,106 ^{*1}	43.83	10,872,360	1.62	294,958,106 ^{*1}	43.83	11,959,596	1.70 ³	324,453,916 ^{*1}	46.09
Kumpulan Wang Persaraan (Diperbadankan)	53,085,900	7.89	22,658,500 ^{*2}	3.37	53,085,900	7.89	22,658,500 ^{*2}	3.37	53,085,900	7.54	22,658,500 ^{*2}	3.22

Notes:-

- *1 Deemed interested by virtue of their shareholding in Gaterich pursuant to Section 8 of the Act
- *2 Deemed interested by virtue of shares held by fund managers of Kumpulan Wang Persaraan (Diperbadankan)
- *3 The conversion of the RCPS held by Gaterich may result in the shareholdings of Gaterich and its persons acting in concert ("PACs"), collectively, exceeding 2% in any period of 6 months. Pursuant to the Rules, Gaterich and its PACs would, in such event, be obliged to extend a mandatory take-over offer for all the remaining LBGB Shares, RCPS and convertible securities not already owned by them.
- Gaterich may make an application to the SC to seek an exemption for Gaterich and its PACs under paragraph 4.08 of the Rules from the obligation to extend a mandatory take-over offer for all the remaining LBGB Shares, RCPS and convertible securities not already owned by them upon conversion of the RCPS, the application of which may be made at a later date but prior to triggering the mandatory take-over offer obligation.
- Gaterich and its PACs will be required to observe and comply at all times with the provisions of the Code and the Rules.

Maximum Scenario 1

Substantial shareholders	I						II					
	Shareholdings as at the LPD			After the Rights Issue			After I and assuming full conversion of the RCPS			After I and assuming full conversion of the RCPS		
	Direct	Indirect	No. of Shares	Direct	Indirect	No. of Shares	Direct	Indirect	No. of Shares	Direct	Indirect	No. of Shares
Gaterich	294,958,106	43.83	-	294,958,106	43.83	-	324,453,916	43.83	-	-	-	-
Tan Sri Lim Hock San	3,808,200	0.57	294,958,106 ^{*1}	3,808,200	0.57	294,958,106 ^{*1}	4,189,020	0.57	324,453,916 ^{*1}	43.83	43.83	43.83
Datuk Wira Lim Hock Guan	10,872,360	1.62	294,958,106 ^{*1}	10,872,360	1.62	294,958,106 ^{*1}	11,959,596	1.62	324,453,916 ^{*1}	43.83	43.83	43.83
Kumpulan Wang Persaraan (Diperbadankan)	53,085,900	7.89	22,658,500 ^{*2}	53,085,900	7.89	22,658,500 ^{*2}	58,394,490	7.89	24,924,350 ^{*2}	3.37	3.37	3.37

Notes:-

- *1 Deemed interested by virtue of their shareholding in Gaterich pursuant to Section 8 of the Act
- *2 Deemed interested by virtue of shares held by fund managers of Kumpulan Wang Persaraan (Diperbadankan)

Maximum Scenario 2

Substantial shareholders	I						II					
	Shareholdings as at the LPD			Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options ³			After (I) and the Rights Issue			After (I) and the Rights Issue		
	Direct	Indirect	%	Direct	Indirect	%	Direct	Indirect	%	Direct	Indirect	%
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%
Gaterich	294,958,106	-	43.83	309,133,395	-	41.06	309,133,395	-	41.06	309,133,395	-	-
Tan Sri Lim Hock San	3,808,200	294,958,106 ¹	0.57	9,625,025	309,133,395 ¹	1.28	9,625,025	309,133,395 ¹	41.06	9,625,025	309,133,395 ¹	41.06
Datuk Wira Lim Hock Guan	10,872,360	294,958,106 ¹	1.62	12,839,450	309,133,395 ¹	43.83	12,839,450	309,133,395 ¹	41.06	12,839,450	309,133,395 ¹	41.06
Kumpulan Wang Persaraan (Diperbadankan)	53,085,900	22,658,500 ²	7.89	53,085,900	22,658,500 ²	3.37	53,085,900	22,658,500 ²	3.01	53,085,900	22,658,500 ²	3.01

Substantial shareholders	III					
	After (II) and assuming full conversion of the RCPS					
	Direct	Indirect	%	Direct	Indirect	%
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%
Gaterich	340,046,734	-	41.06	-	-	-
Tan Sri Lim Hock San	10,587,527	340,046,734 ¹	1.28	340,046,734 ¹	340,046,734 ¹	41.06
Datuk Wira Lim Hock Guan	14,123,395	340,046,734 ¹	1.71	340,046,734 ¹	340,046,734 ¹	41.06
Kumpulan Wang Persaraan (Diperbadankan)	58,394,490	24,924,350 ²	7.05	24,924,350 ²	24,924,350 ²	3.01

Notes:-

- *1 Deemed interested by virtue of their shareholding in Gaterich pursuant to Section 8 of the Act
- *2 Deemed interested by virtue of shares held by fund managers of Kumpulan Wang Persaraan (Diperbadankan)
- *3 The number of Warrant A, Warrants B and ESOS Options held by the substantial shareholders as at the LPD are set out below:-

	No. of the Warrants A		No. of the Warrants B		No. of ESOS Options	
	Direct	Indirect	Direct	Indirect	Direct	Unit
Gaterich	-	-	16,144,789 [^]	-	-	-
Tan Sri Lim Hock San	831,200	-	4,985,625	16,144,789 [^]	-	-
Datuk Wira Lim Hock Guan	-	-	1,967,090	16,144,789 [^]	-	-
Kumpulan Wang Persaraan (Diperbadankan)	-	-	-	-	-	-

[^] As set out in Section 5 of this Abridged Prospectus, Gaterich has undertaken that it will not exercise 1,969,500 of its Warrants B prior to the Entitlement Date

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4. DIRECTORS

The particulars of our Directors as at the LPD are set out below:-

Name	Address	Age	Nationality	Profession	Designation
Dato' Seri Lim Bock Seng	No. 83, Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	86	Malaysian	Company Director	Chairman
Tan Sri Lim Hock San	No. 9, Legenda Putera Jalan PJU 1A/57 Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	59	Malaysian	Company Director	Managing Director
Datuk Wira Lim Hock Guan	No. 37, Jalan PJU 1A/51 Idaman Villas Damansara Idaman 47301 Petaling Jaya Selangor Darul Ehsan	55	Malaysian	Company Director	Executive Director
Maj (Hon) Dato' Sri Lim Hock Sing	No. 83, Jalan SS7/2 Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	54	Malaysian	Company Director	Executive Director
Datuk Lim Hock Seong	No. 5, Legenda Puteri 3 Jalan PJU 1A/58A Damansara Legenda 47410 Petaling Jaya Selangor Darul Ehsan	51	Malaysian	Company Director	Executive Director
Dato' Chia Lok Yuen	No. 75, Jalan 5/109C Taman Bukit Desa 58100 Kuala Lumpur Wilayah Persekutuan	58	Malaysian	Company Director	Executive Director
Dato' Lim Mooi Pang	No. 10, Jalan U2/50 Off Persiaran Golf Saujana Resort 40150 Shah Alam Selangor Darul Ehsan	50	Malaysian	Company Director	Executive Director
Datuk Dr Haji Baharum bin Haji Mohamed	No. 11, Jalan 8/9 Seksyen 8 Bandar Baru Bangi 43650 Kajang Selangor Darul Ehsan	60	Malaysian	Company Director	Senior Independent Non-Executive Director
Datuk Lim Si Cheng	No. 7, Jalan SS21/3 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan	67	Malaysian	Company Director	Independent Non-Executive Director
Lim Tong Lee	No. 56, Jalan BK 6A/2 Bandar Kinrara 47100 Puchong Selangor Darul Ehsan	49	Malaysian	Company Director	Independent Non-Executive Director

The shareholdings of our Directors as at the LPD and after the Rights Issue (assuming all the Directors fully subscribe to their respective entitlements) are set out below:-

Minimum Scenario

Directors	Shareholding as at the LPD				I After the Rights Issue				II After I and assuming full conversion of the RCPS				
	Direct	Indirect	%	No. of Shares	Direct	Indirect	%	No. of Shares	Direct	Indirect	%	No. of Shares	
Dato' Seri Lim Bock Seng	1,040,000	2,004,000 ^{*1}	0.30	1,040,000	1,040,000	0.15	2,004,000 ^{*1}	0.30	1,040,000	2,004,000 ^{*1}	0.15	2,004,000 ^{*1}	0.28
Tan Sri Lim Hock San	3,808,200	296,603,106 ^{*2}	44.08	3,808,200	296,603,106 ^{*2}	0.57	296,603,106 ^{*2}	44.08	4,189,020	326,098,916 ^{*2}	0.60	326,098,916 ^{*2}	46.33
Datuk Wira Lim Hock Guan	10,872,360	295,818,106 ^{*2}	43.96	10,872,360	295,818,106 ^{*2}	1.62	295,818,106 ^{*2}	43.96	11,959,596	325,313,916 ^{*2}	1.70	325,313,916 ^{*2}	46.22
Maj (Hon) Dato' Sri Lim Hock Sing	25,000	194,000 ^{*1}	0.03	25,000	194,000 ^{*1}	0.03	194,000 ^{*1}	0.03	25,000	194,000 ^{*1}	0.03	194,000 ^{*1}	0.03
Datuk Lim Hock Seong	261,875	110,000 ^{*1}	0.02	261,875	110,000 ^{*1}	0.04	110,000 ^{*1}	0.02	261,875	110,000 ^{*1}	0.04	110,000 ^{*1}	0.02
Dato' Chia Lok Yuen	1,235,000	-	-	1,235,000	-	0.18	-	-	1,235,000	-	0.18	-	-
Dato' Lim Mooi Pang	1,179,900	-	-	1,179,900	-	0.18	-	-	1,179,900	-	0.17	-	-
Datuk Dr Haji Baharum bin Haji Mohamed	119,000	-	-	119,000	-	0.02	-	-	119,000	-	0.02	-	-
Datuk Lim Si Cheng	119,000	-	-	119,000	-	0.02	-	-	119,000	-	0.02	-	-
Lim Tong Lee	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

*1 Shares held by virtue of Section 59(11)(c) of the Act

*2 Deemed interested by virtue of his shareholding in Gaterich pursuant to Section 8 of the Act and by virtue of Section 59(11)(c) of the Act

*3 Negligible

Maximum Scenario 1

Directors	I						II					
	Shareholding as at the LPD			After the Rights Issue			After I and assuming full conversion of the RCPS			After I and assuming full conversion of the RCPS		
	Direct	Indirect	%	Direct	Indirect	%	Direct	Indirect	%	Direct	Indirect	%
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%
Dato' Seri Lim Bock Seng	1,040,000	2,004,000 ^{*1}	0.30	1,040,000	2,004,000 ^{*1}	0.30	1,144,000	2,204,400 ^{*1}	0.15	1,144,000	2,204,400 ^{*1}	0.30
Tan Sri Lim Hock San	3,808,200	296,603,106 ^{*2}	44.08	3,808,200	296,603,106 ^{*2}	44.08	4,189,020	326,263,416 ^{*2}	0.57	4,189,020	326,263,416 ^{*2}	44.08
Datuk Wira Lim Hock Guan	10,872,360	295,818,106 ^{*2}	43.96	10,872,360	295,818,106 ^{*2}	43.96	11,959,596	325,399,916 ^{*2}	1.62	11,959,596	325,399,916 ^{*2}	43.96
Maj (Hon) Dato' Sri Lim Hock Sing	25,000	194,000 ^{*1}	0.03	25,000	194,000 ^{*1}	0.03	27,500	213,400 ^{*1}	0.3	27,500	213,400 ^{*1}	0.03
Datuk Lim Hock Seong	261,875	110,000 ^{*1}	0.02	261,875	110,000 ^{*1}	0.02	288,062	121,000 ^{*1}	0.04	288,062	121,000 ^{*1}	0.02
Dato' Chia Lok Yuen	1,235,000	-	-	1,235,000	-	-	1,358,500	-	0.18	1,358,500	-	-
Dato' Lim Mooi Pang	1,179,900	-	-	1,179,900	-	-	1,297,890	-	0.18	1,297,890	-	-
Datuk Dr Haji Baharum bin Haji Mohamed	119,000	-	-	119,000	-	-	130,900	-	0.02	130,900	-	-
Datuk Lim Si Cheng	119,000	-	-	119,000	-	-	130,900	-	0.02	130,900	-	-
Lim Tong Lee	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

*1 Shares held by virtue of Section 59(1)(c) of the Act

*2 Deemed interested by virtue of his shareholding in Gaterich pursuant to Section 8 of the Act and by virtue of Section 59(1)(c) of the Act

*3 Negligible

Maximum Scenario 2

Directors	Shareholdings as at the LPD				I Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options ³				II After (I) and the Rights Issue			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Seri Lim Bock Seng	1,040,000	0.15	2,004,000 ¹	0.30	1,565,000	0.21	3,064,500 ¹	0.41	1,565,000	0.21	3,064,500 ¹	0.41
Tan Sri Lim Hock San	3,808,200	0.57	296,603,106 ²	44.08	9,625,025	1.28	310,823,070 ²	41.28	9,625,025	1.28	310,823,070 ²	41.28
Datuk Wira Lim Hock Guan	10,872,360	1.62	295,818,106 ²	43.96	12,839,450	1.71	310,208,395 ²	41.20	12,839,450	1.71	310,208,395 ²	41.20
Maj (Hon) Dato' Sri Lim Hock Sing	25,000	- ³	194,000 ¹	0.03	231,250	0.03	311,300 ¹	0.04	231,250	0.03	311,300 ¹	0.04
Datuk Lim Hock Seong	261,875	0.04	110,000 ¹	0.02	261,875	0.03	110,000 ¹	0.01	261,875	0.03	110,000 ¹	0.01
Dato' Chia Lok Yuen	1,235,000	0.18	-	-	1,997,000	0.27	-	-	1,997,000	0.27	-	-
Dato' Lim Mooi Pang	1,179,900	0.18	-	-	1,572,875	0.21	-	-	1,572,875	0.21	-	-
Datuk Dr Haji Baharum bin Haji Mohamed	119,000	0.02	-	-	238,000	0.03	-	-	238,000	0.03	-	-
Datuk Lim Si Cheng	119,000	0.02	-	-	238,000	0.03	-	-	238,000	0.03	-	-
Lim Tong Lee	-	-	-	-	238,000	0.03	-	-	238,000	0.03	-	-

III
After (II) and assuming full conversion of the RCPS

Directors	Direct----->		Indirect----->	
	No. of Shares	%	No. of Shares	%
Dato' Seri Lim Bock Seng	1,721,500	0.21	3,370,950 ¹	0.41
Tan Sri Lim Hock San	10,587,527	1.28	341,905,377 ²	41.28
Datuk Wira Lim Hock Guan	14,123,395	1.71	341,229,234 ²	41.20
Maj (Hon) Dato' Sri Lim Hock Sing	254,375	0.03	342,430 ¹	0.04
Datuk Lim Hock Seong	288,062	0.03	121,000 ¹	0.01
Dato' Chia Lok Yuen	2,196,700	0.27	-	-
Dato' Lim Mooi Pang	1,730,162	0.21	-	-
Datuk Dr Haji Baharum bin Haji Mohamed	261,800	0.03	-	-
Datuk Lim Si Cheng	261,800	0.03	-	-
Lim Tong Lee	261,800	0.03	-	-

Notes:-

*1 Shares held by virtue of Section 59(1)(c) of the Act

*2 Deemed interested by virtue of their shareholding in Gaterich pursuant to Section 8 of the Act and by virtue of Section 59(1)(c) of the Act

*3 The number of Warrant A, Warrants B and ESOS Options held by the Directors as at the LPD are set out below:-

	No. of the Warrants A		No. of the Warrants B		No. of ESOS Options	
	Direct Unit	Indirect Unit	Direct Unit	Indirect Unit	Direct Unit	Indirect Unit
Dato' Seri Lim Bock Seng	140,000	404,000	385,000	656,500	-	-
Tan Sri Lim Hock San	831,200	-	4,985,625	16,189,464 [^]	-	-
Datuk Wira Lim Hock Guan	-	-	1,967,090	16,359,789 [^]	-	-
Maj (Hon) Dato' Sri Lim Hock Sing	-	68,800	206,250	48,500	-	-
Datuk Lim Hock Seong	-	-	-	-	-	-
Dato' Chia Lok Yuen	295,000	-	467,000	-	-	-
Dato' Lim Mooi Pang	-	-	239,975	-	153,000	-
Datuk Dr Haji Baharum bin Haji Mohamed	-	-	-	-	119,000	-
Datuk Lim Si Cheng	-	-	-	-	119,000	-
Lim Tong Lee	-	-	-	-	238,000	-

[^] As set out in Section 5 of this Abridged Prospectus, Gaterich has undertaken that it will not exercise 1,969,500 of its Warrants B prior to the Entitlement Date

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5. SUBSIDIARY AND ASSOCIATE COMPANIES

As at the LPD, our subsidiaries are set out below:-

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
Subsidiaries of LBGB				
Intellplace Holdings Limited	11.08.2000 / British Virgin Islands	USD 1,000	100.00	Investment holding
LBS Bina Holdings Sdn. Bhd.	11.10.1982 / Malaysia	RM198,336,000	100.00	Property development and investment holding
LBS Landscape Sdn. Bhd.	18.06.1984 / Malaysia	RM100,000	100.00	Turfing and landscape contracting
Linkway Property Co., Ltd	22.01.2001 / British Virgin Islands	USD 100	100.00	Dormant
Maju Kepunyaan Sdn. Bhd.	04.07.1973 / Malaysia	RM20,900,000	100.00	Dormant
ML Global Berhad	12.08.2002 / Malaysia	RM366,586,894	55.34	Provision of management services and investment holding
SPJ Construction Sdn. Bhd.	17.04.1979 / Malaysia	RM6,000,000	60.00	Dormant
Subsidiaries of LBS Bina Holdings Sdn.Bhd.				
Adil Restu Sdn. Bhd.	04.07.1988 / Malaysia	RM500,000	100.00	Property development
Alunan Prestasi Sdn. Bhd.	04.04.1994 / Malaysia	RM1,000,000	70.00	Property development
Angsana Abadi Sdn. Bhd.	26.02.1991 / Malaysia	RM50,000	100.00	Property development
Astana Modal (M) Sdn. Bhd.	22.01.2003 / Malaysia	RM12,500,000	100.00	Property development
Azam Perspektif Sdn. Bhd.	23.06.1995 / Malaysia	RM500,000	100.00	Property development
Bimbingan Sumber Sdn. Bhd.	12.07.2003 / Malaysia	RM500,000	60.00	Dormant
Casa Inspirasi Sdn. Bhd.	18.03.2004 / Malaysia	RM500,000	68.00	Property development
Cergas Asal (M) Sdn. Bhd.	28.02.1992 / Malaysia	RM5,000,000	100.00	Property development
Dataran Enigma Sdn. Bhd.	22.09.2003 / Malaysia	RM100	61.00	Property development
Equal Alliance Sdn. Bhd.	30.07.1994 / Malaysia	RM500,000	100.00	Property development

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
Equal Sign Sdn. Bhd.	24.04.2001 / Malaysia	RM250,000	100.00	Property development
Focal Remedy Sdn. Bhd.	15.10.2004 / Malaysia	RM1,000,000	100.00	Property development
Fokus Awana Sdn. Bhd.	08.03.2004 / Malaysia	RM13,000,000	100.00	Property development
Galeri Cekap Sdn. Bhd.	23.10.1999 / Malaysia	RM500,000	100.00	Dormant
Generasi Nostalgia Sdn. Bhd.	14.04.1995 / Malaysia	RM250,000	100.00	Property development
Generasi Simbolik Sdn. Bhd.	26.06.1995 / Malaysia	RM250,000	71.00	Property development
Getstyle Sdn. Bhd.	20.06.2000 / Malaysia	RM100,000	100.00	Property development
Healthguard Medicare Sdn Bhd	18.08.1997 / Malaysia	RM2,913,433	60.00	Dormant
Inderaloka Impian Sdn. Bhd.	06.07.1995 / Malaysia	RM250,000	100.00	Property development
Induk Pelita Sdn. Bhd.	06.12.2016 / Malaysia	RM100	51.00	Dormant
Intellview Sdn. Bhd.	08.11.1995 / Malaysia	RM500,000	100.00	Property development
Iringan Kejora Sdn. Bhd.	21.04.2004 / Malaysia	RM500,000	80.00	Property development
Jatidiri Gigih Sdn. Bhd.	12.07.2000 / Malaysia	RM500,000	100.00	Property development
Jauhari Unggul Sdn. Bhd.	12.07.2000 / Malaysia	RM250,000	100.00	Property development
Johan Anggun Sdn. Bhd.	17.11.1992 / Malaysia	RM1,000,000	85.00	Property development
Kalimah Jaya Sdn. Bhd.	20.06.2000 / Malaysia	RM3	100.00	Investment holding
Kilatlima Sdn. Bhd.	17.12.1987 / Malaysia	RM250,000	100.00	Property development, operation and maintenance of carpark
Kemudi Ehsan Sdn. Bhd.	23.03.2015 / Malaysia	RM500,000	51.00	Property development
Koleksi Sigma Sdn. Bhd.	19.06.2013 / Malaysia	RM100,000	75.00	Property development
LBS Capital Sdn. Bhd.	29.06.1995 / Malaysia	RM2,000,000	100.00	Provision of finance through money lending

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
LBS Maju Sdn. Bhd.	08.10.1993 / Malaysia	RM100,000	70.00	Dormant
LBS Properties Sdn. Bhd.	06.09.1993 / Malaysia	RM30,000	100.00	Property investment holding
Maju Kamabisa Sdn. Bhd.	14.09.1989 / Malaysia	RM10	100.00	Dormant
Mayang Jelatek Sdn. Bhd.	28.05.1993 / Malaysia	RM2,500,000	51.00	Property development
Megah Solaris Sdn. Bhd.	27.03.2013 / Malaysia	RM1,000	55.00	Dormant
Misi Aktif Sdn. Bhd.	22.05.2004 / Malaysia	RM3,000,000	100.00	Property development
MITC Sdn. Bhd.	20.03.1990 / Malaysia	RM2,100,000	100.00	Property development and investment holding
Nuevo Attraction & Destination Sdn. Bhd.	18.04.2014 / Malaysia	RM1,000	60.00	Tourism development and investment holding
Nuevoprima Development Sdn. Bhd.	14.11.2014 / Malaysia	RM1,000	100.00	Dormant
Pelangi Homes Sdn. Bhd.	05.04.1994 / Malaysia	RM12,000,000	100.00	Property development and investment holding
Pembangunan Primer Sdn. Bhd.	13.06.1995 / Malaysia	RM500,000	80.00	Property development
Prima Utuh Sdn. Bhd.	30.03.2001 / Malaysia	RM25,000	80.00	Dormant
Puncak Gama Sdn. Bhd.	27.09.2003 / Malaysia	RM1,000,000	80.00	Property development
Saga Megah Sdn. Bhd.	12.12.1988 / Malaysia	RM1,000,000	100.00	Trading of building materials and general construction
Seloka Sinaran Sdn. Bhd.	18.06.2002 / Malaysia	RM500,000	51.00	Property development
Sepadan Maju Sdn. Bhd.	19.07.1991 / Malaysia	RM250,000	90.00	Property development
Seribu Baiduri Sdn. Bhd.	29.10.1999 / Malaysia	RM5,000,000	100.00	Property development
Sinaran Restu Sdn. Bhd.	23.02.1988 / Malaysia	RM17,000,000	100.00	Property development and investment holding
Taman Sempurna Sdn. Bhd.	09.06.2004 / Malaysia	RM500,000	51.00	Dormant
Utuh Aspirasi Sdn. Bhd.	28.03.2001 / Malaysia	RM100,000	100.00	Property development

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
Wirama Era Baru Sdn. Bhd.	13.05.2003 / Malaysia	RM500,000	51.00	Property development
<i>Subsidiaries of Sinaran Restu Sdn. Bhd.</i>				
Juaraplex Sdn. Bhd.	21.09.2004 / Malaysia	RM2	100.00	Property development
Kenderong Sdn. Bhd.	26.02.1979 / Malaysia	RM5,000	100.00	Property development
KerANJI Bina Sdn. Bhd.	09.06.1982 / Malaysia	RM5,000	100.00	Property development
Lingkar Semangat Sdn. Bhd.	25.07.2002 / Malaysia	RM20,002	100.00	Property development
Nilam Mewah Sdn. Bhd.	15.11.1988 / Malaysia	RM10,000	55.00	Dormant
Pacific Grant Sdn. Bhd.	11.10.1996 / Malaysia	RM250,000	100.00	Property development
Silibin Jaya Sdn. Bhd.	28.12.1987 / Malaysia	RM5,000	100.00	Property development
<i>Subsidiary of Kalimah Jaya Sdn. Bhd.</i>				
Utuh Sejagat Sdn. Bhd.	19.07.2000 / Malaysia	RM6,500,000	100.00	Property development
<i>Subsidiaries of Pelangi Homes Sdn. Bhd.</i>				
Restu Bidara Sdn. Bhd.	29.05.2015 / Malaysia	RM100	100.00	Property development
Biz Bena Development Sdn. Bhd.	25.03.2004 / Malaysia	RM520,000	51.92	Dormant
<i>Subsidiaries of ML Global Berhad</i>				
MITC Engineering Sdn. Bhd.	14.08.1995 / Malaysia	RM1,000,000	55.34	Civil engineering, design and build, general construction activities and trading of construction materials
Vintage Tiles Industries Sdn. Bhd.	07.12.1995 / Malaysia	RM15,000,000	55.34	Civil engineering, design and build and general construction activities
Vintage Tiles Industries (EM) Sdn. Bhd.	13.09.2004 / Malaysia	RM1,000,000	55.34	Dormant
Vintage Roofing & Construction Sdn. Bhd.	23.10.1999 / Malaysia	RM1,000,000	55.34	Dormant

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
Newsteel Building Systems Sdn. Bhd.	12.01.2001 / Malaysia	RM1,000,000	44.27	Dormant
Vintage Tiles Holdings Sdn. Bhd.	08.06.1998 / Malaysia	RM100,000	55.34	Dormant
Alunan Warta Sdn. Bhd.	25.05.2015 / Malaysia	RM100	28.22	Dormant
Subsidiaries of MITC Engineering Sdn. Bhd.				
Prisma Craft Sdn. Bhd.	22.05.2015 / Malaysia	RM750,000	55.34	Dormant
Prisma Kasturi Sdn. Bhd.	23.06.1992 / Malaysia	RM25,000	55.34	Property investment and management
Top Ace Solutions Sdn. Bhd.	22.05.2015 / Malaysia	RM2	55.34	Trading of construction materials and general construction activities
MGB Geotech Sdn Bhd	08.05.2017 / Malaysia	RM1,000	38.74	Piling construction and foundation works
Subsidiaries of Vintage Roofing & Construction Sdn. Bhd.				
Tirai Impresif Sdn. Bhd.	06.12.2005 / Malaysia	RM2	55.34	Dormant
VTI Consortium Sdn. Bhd.	13.03.2006 / Malaysia	RM2	55.34	Dormant
Subsidiaries of Vintage Tiles Industries (EM) Sdn. Bhd.				
Delta Gallery Sdn. Bhd.	21.12.2016 / Malaysia	RM250,000	55.34	Property Development
Idaman Kukuh Sdn. Bhd.	27.03.2017 / Malaysia	RM1	55.34	Dormant
Subsidiary of Intelplace Holdings Limited				
Dragon Hill Corporation Limited	02.07.2002 / Hong Kong	HKD 50,000,000	100.00	Investment holding
Subsidiary of Dragon Hill Corporation Limited				
Lamdeal Investments Limited	13.11.1990 / Hong Kong	HKD 2,200,000	100.00	Project investment through a subsidiary company in The People's Republic of China ("PRC")
Subsidiary of Lamdeal Investments Limited				
Zhuhai International Circuit Limited	23.08.1993 / PRC	USD 12,600,000	60.00	Racing circuit development and management

Subsidiaries	Date / Place of incorporation	Issued share capital	Effective equity interest %	Principal activities
Subsidiary of Zhuhai International Circuit Limited				
Zhuhai International Circuit Promotion (HK) Limited	01.06.2006 / Hong Kong	HKD 100,000	60.00	Provision of handling services for its holding company

As at the LPD, our associate companies are set out below:-

Associate companies	Date / Place of incorporation	Issued share capital RM	Effective equity interest %	Principal activities
Associate companies of LBS Bina Holdings Sdn. Bhd.				
Bayu Cergas Sdn. Bhd.	09.06.2003 / Malaysia	RM100	40.00	Dormant
Pristine Sunrise (M) Sdn. Bhd.	29.04.2003 / Malaysia	RM250,000	30.00	Dormant
Sambungan Aktif Sdn. Bhd.	02.01.2004 / Malaysia	RM100,000	30.00	Dormant
Setara Armada Sdn. Bhd.	13.03.2013 / Malaysia	RM1,000,000	30.00	Dormant
Tarikan Puncak Sdn. Bhd.	15.08.2005 / Malaysia	RM500,000	20.00	Dormant
Usaha Semarak Sdn. Bhd.	03.03.1988 / Malaysia	RM100,000	35.00	Dormant
Warnasari Idaman Sdn. Bhd.	01.06.2011 / Malaysia	RM100	30.00	Dormant
Associate companies of MITC Engineering Sdn. Bhd.				
YLT Consultancy Sdn. Bhd.	17.11.2014 / Malaysia	RM150,000	16.60	Engineering services consultancy

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6. PROFIT AND DIVIDEND RECORDS

The following table sets out a summary of our audited consolidated financial statements for the past 3 financial years up to the FYE 31 December 2016 and our latest unaudited consolidated quarterly results for the 3-month FPE 31 March 2017 together with the corresponding preceding 3-month FPE 31 March 2016:-

	<-----Audited----->			<-----Unaudited----->	
	FYE 31 December 2014 RM'000	FYE 31 December 2015 RM'000	FYE 31 December 2016 RM'000	3-month FPE 31 March 2016 RM'000	3-month FPE 31 March 2017 RM'000
Revenue	668,265	680,296	993,619	200,472	247,350
Cost of sales	(455,874)	(445,042)	(673,998)	(132,665)	(160,851)
Gross profit	212,391	235,254	319,621	67,807	86,499
Other income	29,795	28,072	53,690	5,479	4,467
Administrative and operating expenses	(116,014)	(135,026)	(204,520)	(41,831)	(42,132)
Profit from operations	126,172	128,300	168,791	31,455	48,834
Finance costs	(23,536)	(21,831)	(23,625)	(6,712)	(6,817)
Share of (losses)/ profits in associated companies, net of tax	1,493	2,366	(1,212)	254	7
Profit before taxation	104,129	108,835	143,954	24,997	42,024
Taxation	(37,035)	(38,339)	(58,752)	(8,974)	(16,372)
Net profit for the financial year	67,094	70,496	85,202	16,023	25,652
Other comprehensive income, net of tax	35,626	45,568	25,676	(21,290)	(6,940)
Total comprehensive income for the financial year	102,720	116,064	110,878	(5,267)	18,712
Net profit for the financial year attributable to:					
Owners of the Parent	69,930	76,074	85,301	16,861	24,773
Non-controlling interests	(2,836)	(5,578)	(99)	(838)	879
	67,094	70,496	85,202	16,023	25,652
Total comprehensive income for the financial year attributable to:-					
Owners of the Parent	106,712	126,836	112,712	(7,156)	17,301
Non-controlling interests	(3,992)	(10,772)	(1,834)	1,889	1,411
	102,720	116,064	110,878	(5,267)	18,712
Weighted average number of shares in issue ('000)	497,414	539,759	589,508	551,280	647,754
Earnings before interest, taxation, depreciation and amortisation (RM'000)	143,217	148,970	184,746	35,682	53,102
Gross profit margin (%)	31.78	34.58	32.17	33.82	34.97
Profit margin (%)	10.04	10.36	8.57	7.99	10.37

	<-----Audited----->			<-----Unaudited----->	
	FYE 31 December 2014 RM'000	FYE 31 December 2015 RM'000	FYE 31 December 2016 RM'000	3-month FPE 31 March 2016 RM'000	3-month FPE 31 March 2017 RM'000
Earnings per Share (sen)					
- Basic	14.06	14.09	14.47	3.06	3.82
- Diluted	13.45	13.13	13.85	2.88	3.69
Dividends paid (RM'000)	15,109	49,563	66,917	32,719	13,028

Commentary on past performance:-

Audited FYE 31 December 2014

For the FYE 31 December 2014, our Group recorded revenue of RM668.27 million, representing an increase of approximately RM134.74 million or approximately 25.25% as compared to RM533.53 million in the previous financial year. The increase in revenue was mainly attributable to our projects at Bandar Saujana Putra located in Selangor, D'Island Residence located in Puchong, Selangor, Cameron Golden Hills located in Cameron Highlands, Pahang and Bandar Putera Indah located in Batu Pahat, Johor.

Administrative and operating expenses had increased by RM30.41 million or approximately 35.53% to RM116.01 million as compared to RM85.60 million in the previous financial year. Such increase was mainly due to the increase in staff costs, sales and marketing cost, depreciation and other operating expenses.

Our Group recorded a lower PBT of RM104.13 million for the FYE 31 December 2014. The PBT of RM426.90 million recorded in the FYE 31 December 2013 was mainly attributable to the gain on disposal of subsidiaries, namely Lamdeal Consolidated Development Limited and Lamdeal Golf & Country Club Limited, amounting to RM341.62 million. By excluding the one-off gain on the disposal of subsidiaries for the FYE 31 December 2013, PBT for the FYE 31 December 2014 increased by RM18.85 million or approximately 22.10% from RM85.28 million in the FYE 31 December 2013. The increase in PBT (after excluding the one-off gain on the disposal of subsidiaries) was mainly due to the increase in our revenue and gross profit from the project development.

Audited FYE 31 December 2015

For the FYE 31 December 2015, our Group recorded revenue of RM680.30 million, representing an increase of RM12.03 million or approximately 1.80% as compared to RM668.27 million in the previous financial year. The increase in revenue was mainly attributable to our projects at D'Island Residence located in Puchong, Selangor and Bandar Putera Indah located in Batu Pahat, Johor.

Administrative and operating expenses had increased by RM19.02 million or approximately 16.40% to RM135.03 million as compared to RM116.01 million in the previous financial year. Such increase was mainly due to the increase in staff costs, sales and marketing cost, depreciation and other operating expenses.

Our Group recorded a higher PBT of RM108.84 million for the FYE 31 December 2015, representing an increase of RM4.71 million or approximately 4.52% as compared to RM104.13 million in the previous financial year. The increase in PBT was mainly due to the increase in our revenue and gross profit from the project development as well as the increase in gross profit margin mainly contributed from D'Island Residence located in Puchong, Selangor coupled with the decrease in finance costs of our Group.

Audited FYE 31 December 2016

For the FYE 31 December 2016, our Group recorded revenue of RM993.62 million, representing an increase of RM313.32 million or approximately 46.06% as compared to RM680.30 million in the previous financial year. The increase in revenue was mainly attributable to our projects at Bandar Saujana Putra located in Selangor and D'Island Residence located in Puchong, Selangor, Cameron Golden Hills located in Cameron Highlands, Pahang, Bandar Putera Indah located in Batu Pahat, Johor, Midhills located in Genting Permai, Pahang, and Desiran Bayu located in Puchong, Selangor.

Administrative and operating expenses had increased by RM69.49 million or approximately 51.46% to RM204.52 million as compared to RM135.03 million in the previous financial year, in tandem with the increase in our revenue. Such increase was mainly due to the increase in sales and marketing cost, impairment loss on investment in equity securities listed in Hong Kong Stock Exchange, namely Zhuhai Holdings Investment Group Limited, as a result of decline in the fair value of the said investment.

Our Group recorded a higher PBT of RM143.95 million for the FYE 31 December 2016, representing an increase of RM35.11 million or approximately 32.26% as compared to RM108.84 million in the previous financial year. The increase in PBT was mainly due to the increase in our revenue and gross profit from the project development.

Unaudited 3-month FPE 31 March 2017

For the unaudited 3-month FPE 31 March 2016, our Group recorded revenue of RM247.35 million, representing an increase of RM46.88 million or approximately 23.39% as compared to RM200.47 million in the previous financial period. The increase in revenue was mainly attributable to our projects at Bandar Saujana Putra located in Selangor, D'Island Residence located in Puchong, Selangor, Cameron Golden Hills located in Cameron Highlands, Pahang, Bandar Putera Indah located in Batu Pahat, Johor, Sinaran Mahkota located in Kuantan, Pahang, Midhills located in Genting Permai, Pahang, Alam Awana located in Shah Alam, Selangor and Desiran Bayu located in Puchong, Selangor.

The administrative and operating expenses had increased by RM0.30 million or approximately 0.72% to RM42.13 million as compared to RM41.83 million in the previous financial period, which was mainly due to the increase in staff costs.

Our Group recorded a higher PBT of RM42.02 million for the unaudited 3-month FPE 31 March 2017, representing an increase of RM17.02 million or approximately 68.08% as compared to RM25.00 million in the previous financial period. The increase in PBT was mainly due to the increase in our revenue and gross profit from the project development.

7. HISTORICAL PRICES

The monthly high and low transacted market prices of LBGB Shares for the past 12 months from July 2016 to June 2017 are as follows:-

	High RM	Low RM
2016		
July	1.66	1.56
August	1.67	1.58
September	1.81	1.64
October	1.80	1.71
November	1.75	1.62
December	1.69	1.65

	High RM	Low RM
2017		
January	1.80	1.61
February	1.95	1.76
March	2.03	1.85
April	2.10	1.98
May	2.12	2.00
June	2.06	2.00

The last transacted price of LBGB Shares on 8 March 2017, being the day prior to the date of announcement on the Corporate Exercises, was RM1.96.

The last transacted price of LBGB Shares on 15 June 2017, being the LPD, was RM2.03.

The last transacted price of LBGB Shares on 10 July 2017, being the day prior to the ex-date of the Rights Issue, was RM2.00.

(Source: Bloomberg)

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' REPORT THEREON



UHY (AF1411)
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Date: 7 JUL 2017

The Board of Directors
LBS Bina Group Berhad
Plaza Seri Setia
Level 1-4, No.1, Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan

Phone +60 3 2279 3088
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Email uhykl@uhy.com.my
Web www.uhy.com.my

Dear Sirs/Madam,

LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS SUBSIDIARIES (COLLECTIVELY KNOWN AS “LBGB GROUP” OR “THE GROUP”) PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

We have completed our assurance engagement to report on the compilation of Pro forma Consolidated Statement of Financial Position of the LBGB Group as at 31 December 2016, together with the accompanying notes thereto which have been prepared by the Directors of the Company (“Directors”).

The Pro forma Consolidated Statement of Financial Position are prepared for illustrative purposes only and for the inclusion in the Abridged Prospectus of LBGB (“Abridged Prospectus”) in connection with the renounceable rights issue of up to 150,586,446 new redeemable convertible preference shares in LBGB (“RCPS”) on the basis of 1 RCPS for every 5 existing ordinary shares in LBGB (“LBGB Shares(s) or Share(s)”) held at 5.00 p.m. on Thursday, 13 July 2017 at an issue price of RM1.10 per RCPS (“Entitlement Date”) (“Rights Issue”).

The Pro forma Consolidated Statement of Financial Position have been compiled by the Directors to illustrate the impact of the Rights Issue on the Consolidated Statement of Financial Position of the LBGB Group as at 31 December 2016 had the Rights Issue been effected on that date, set out in Appendix A and the notes set out in the accompanying Notes 2 to 13 to the Pro forma Consolidated Statement of Financial Position in this letter.

As part of this process, information about the financial position has been extracted by the Directors from the relevant financial statements as at 31 December 2016, on which an audit report has been published.

.../2



The Directors' Responsibility for the Pro Forma Consolidated Statement of Financial Position

The Directors are responsible for compiling the Pro forma Consolidated Statement of Financial Position on the basis set out in the accompanying notes thereto.

Our Responsibilities

Our responsibility is to express an opinion about whether the Pro forma Consolidated Statement of Financial Position have been compiled, in all material respects, by the Directors on the basis set out in the accompanying notes thereto.

We conducted our engagement in accordance with the International Standard on Assurance Engagements, ISAE 3420 *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus* issued by the Malaysian Institute of Accountants. This standard requires us to comply with the ethical requirements and plan and perform procedures to obtain reasonable assurance on whether the Directors have compiled, in all material respects, the pro forma financial information on the basis set out in the accompanying notes thereto.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Consolidated Statement of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro forma Consolidated Statement of Financial Position.

The purpose of the Pro forma Consolidated Statement of Financial Position included in the Abridged Prospectus in relation to the Rights Issue is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.



A reasonable assurance engagement to report on whether the Pro forma Consolidated Statement of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of Pro forma Consolidated Statement of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence on whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro forma Consolidated Statement of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the Pro forma Consolidated Statement of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro forma Consolidated Statement of Financial Position.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (i) the Pro forma Consolidated Statement of Financial Position, which have been prepared by the Directors, have been properly prepared on the basis stated in the accompanying Note 1 in Appendix A to the Pro forma Consolidated Statement of Financial Position using financial statements prepared in accordance with Financial Reporting Standards and in a manner consistent with both the format to the financial statements and the accounting policies adopted by the Company; and
- (ii) each material adjustments made to the information used in the preparation of the Pro forma Consolidated Statement of Financial Position is appropriate for the purpose of preparing the Pro forma Consolidated Statement of Financial Position.



Other Matters

This letter has been prepared for the purpose of inclusion in the Abridged Prospectus. Our work had been carried out in accordance with International Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Rights Issue described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Rights Issue.

Yours faithfully,

A handwritten signature in cursive script that reads 'UHY'.

UHY
Firm Number: AF 1411
Chartered Accountants

A handwritten signature in cursive script that reads 'TAN TIAN WOOI'.

TAN TIAN WOOI
Approved Number: 2969/05/18 (J)
Chartered Accountant

Kuala Lumpur, Malaysia

LBS Bina Group Berhad ("LBGB")
Pro forma Consolidated Statement of Financial Position as at 31 December 2016

Appendix A

The Proforma Consolidated Statement of Financial Position as set out below have been prepared for illustrative purposes only to show the effect on the pro forma consolidated statements of financial position of the LBGB Group as at 31 December 2016 and also based on the assumptions that the following events had been effected on that date.

Minimum Scenario

		LBGB	After the	Pro forma I	Pro forma II
		Group Level	subsequent events	After	After
		31 December 2016	up to the LPD	Rights Issue	full conversion
	Note	RM	RM	RM	of the RCPS
					RM
NON-CURRENT ASSETS					
Property, plant and equipment		261,064,455	261,064,455	261,064,455	261,064,455
Capital work-in-progress		5,368,273	5,368,273	5,368,273	5,368,273
Land and property development costs		730,525,633	730,525,633	730,525,633	730,525,633
Investment properties		61,469,204	61,469,204	61,469,204	61,469,204
Investment in associated companies		2,635,882	2,635,882	2,635,882	2,635,882
Other investments		99,949,920	99,949,920	99,949,920	99,949,920
Goodwill on consolidation		126,979,868	126,979,868	126,979,868	126,979,868
		<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>
CURRENT ASSETS					
Land and property development costs	6	359,130,876	359,130,876	423,180,876	423,180,876
Inventories		187,867,294	187,867,294	187,867,294	187,867,294
Amount owing by customers on contracts		206,607	206,607	206,607	206,607
Accrued billings in respect of land and property development costs		326,708,441	326,708,441	326,708,441	326,708,441
Trade receivables		315,463,599	315,463,599	315,463,599	315,463,599
Other receivables		110,490,839	110,490,839	110,490,839	110,490,839
Tax recoverable		6,844,123	6,844,123	6,844,123	6,844,123
Fixed deposits with licensed banks		49,079,352	49,079,352	49,079,352	49,079,352
Cash held under Housing Development Accounts		74,387,290	74,387,290	74,387,290	74,387,290
Cash and bank balances	7	107,332,047	131,099,122	134,469,628	134,469,628
		<u>1,537,510,468</u>	<u>1,561,277,543</u>	<u>1,628,698,049</u>	<u>1,628,698,049</u>
Total Assets		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,916,691,284</u>	<u>2,916,691,284</u>
EQUITY					
Share capital	8	641,424,473	756,420,528	756,420,528	824,541,034
Redeemable convertible preference shares	9	-	-	68,120,506	-
Share premium	10	74,235,266	-	-	-
Treasury shares	11	(88,081)	(88,081)	(88,081)	(88,081)
Other reserves	12	(53,214,326)	(55,930,266)	(55,930,266)	(55,930,266)
Retained profits	13	503,461,661	489,183,887	488,483,887	488,483,887
Equity attributable to owners of the Parent		1,165,818,993	1,189,586,068	1,257,006,574	1,257,006,574
Non-controlling interests		41,204,571	41,204,571	41,204,571	41,204,571
Total Equity		<u>1,207,023,564</u>	<u>1,230,790,639</u>	<u>1,298,211,145</u>	<u>1,298,211,145</u>
NON-CURRENT LIABILITIES					
Trade payables		248,138,494	248,138,494	248,138,494	248,138,494
Other payables		54,991,839	54,991,839	54,991,839	54,991,839
Finance lease payables		4,126,928	4,126,928	4,126,928	4,126,928
Bank borrowings		314,144,391	314,144,391	314,144,391	314,144,391
Deferred tax liabilities		18,232,322	18,232,322	18,232,322	18,232,322
		<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>
CURRENT LIABILITIES					
Amount owing to customers on contracts		11,841,075	11,841,075	11,841,075	11,841,075
Progress billings in respect of land and property development costs		13,299,227	13,299,227	13,299,227	13,299,227
Trade payables		314,376,329	314,376,329	314,376,329	314,376,329
Other payables		318,287,973	318,287,973	318,287,973	318,287,973
Bank overdrafts		100,901,943	100,901,943	100,901,943	100,901,943
Finance lease payables		2,107,504	2,107,504	2,107,504	2,107,504
Bank borrowings		195,544,663	195,544,663	195,544,663	195,544,663
Tax payable		22,487,451	22,487,451	22,487,451	22,487,451
		<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>
Total Liabilities		<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>
Total Equity and Liabilities		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,916,691,284</u>	<u>2,916,691,284</u>
No of shares (excluding treasury shares)		641,364,473	672,941,998	672,941,998	703,905,863
Net assets		<u>1,165,818,993</u>	<u>1,189,586,068</u>	<u>1,257,006,574</u>	<u>1,257,006,574</u>
NA per share (RM)		1.82	1.77	1.87	1.79
Borrowings		616,825,429	616,825,429	616,825,429	616,825,429
Gearing ratio (times)		0.51	0.50	0.48	0.48



LBS Bina Group Berhad ("LBGB")
Pro forma Consolidated Statement of Financial Position as at 31 December 2016

Appendix A

The Proforma Consolidated Statement of Financial Position as set out below have been prepared for illustrative purposes only to show the effect on the pro forma consolidated statements of financial position of the LBGB Group as at 31 December 2016 and also based on the assumptions that the following events had been effected on that date.

Maximum Scenario 1

	Note	LBGB Group Level 31 December 2016 RM	After the subsequent events up to the LPD RM	Pro forma I After Rights Issue RM	Pro forma II After full conversion of the RCPS RM
NON-CURRENT ASSETS					
Property, plant and equipment		261,064,455	261,064,455	261,064,455	261,064,455
Capital work-in-progress		5,368,273	5,368,273	5,368,273	5,368,273
Land and property development costs		730,525,633	730,525,633	730,525,633	730,525,633
Investment properties		61,469,204	61,469,204	61,469,204	61,469,204
Investment in associated companies		2,635,882	2,635,882	2,635,882	2,635,882
Other investments		99,949,920	99,949,920	99,949,920	99,949,920
Goodwill on consolidation		126,979,868	126,979,868	126,979,868	126,979,868
		<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>
CURRENT ASSETS					
Land and property development costs	6	359,130,876	359,130,876	499,110,876	499,110,876
Inventories		187,867,294	187,867,294	187,867,294	187,867,294
Amount owing by customers on contracts		206,607	206,607	206,607	206,607
Accrued billings in respect of land and property development costs		326,708,441	326,708,441	326,708,441	326,708,441
Trade receivables		315,463,599	315,463,599	315,463,599	315,463,599
Other receivables		110,490,839	110,490,839	110,490,839	110,490,839
Tax recoverable		6,844,123	6,844,123	6,844,123	6,844,123
Fixed deposits with licensed banks		49,079,352	49,079,352	49,079,352	49,079,352
Cash held under Housing Development Accounts		74,387,290	74,387,290	74,387,290	74,387,290
Cash and bank balances	7	107,332,047	131,099,122	138,466,361	138,466,361
		<u>1,537,510,468</u>	<u>1,561,277,543</u>	<u>1,708,624,782</u>	<u>1,708,624,782</u>
Total Assets		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,996,618,017</u>	<u>2,996,618,017</u>
EQUITY					
Share capital	8	641,424,473	756,420,528	756,420,528	904,467,767
Redeemable convertible preference shares	9	-	-	148,047,239	-
Share premium	10	74,235,266	-	-	-
Treasury shares	11	(88,081)	(88,081)	(88,081)	(88,081)
Other reserves	12	(53,214,326)	(55,930,266)	(55,930,266)	(55,930,266)
Retained profits	13	503,461,661	489,183,887	488,483,887	488,483,887
Equity attributable to owners of the Parent		1,165,818,993	1,189,586,068	1,336,933,307	1,336,933,307
Non-controlling interests		41,204,571	41,204,571	41,204,571	41,204,571
Total Equity		<u>1,207,023,564</u>	<u>1,230,790,639</u>	<u>1,378,137,878</u>	<u>1,378,137,878</u>
NON-CURRENT LIABILITIES					
Trade payables		248,138,494	248,138,494	248,138,494	248,138,494
Other payables		54,991,839	54,991,839	54,991,839	54,991,839
Finance lease payables		4,126,928	4,126,928	4,126,928	4,126,928
Bank borrowings		314,144,391	314,144,391	314,144,391	314,144,391
Deferred tax liabilities		18,232,322	18,232,322	18,232,322	18,232,322
		<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>
CURRENT LIABILITIES					
Amount owing to customers on contracts		11,841,075	11,841,075	11,841,075	11,841,075
Progress billings in respect of land and property development costs		13,299,227	13,299,227	13,299,227	13,299,227
Trade payables		314,376,329	314,376,329	314,376,329	314,376,329
Other payables		318,287,973	318,287,973	318,287,973	318,287,973
Bank overdrafts		100,901,943	100,901,943	100,901,943	100,901,943
Finance lease payables		2,107,504	2,107,504	2,107,504	2,107,504
Bank borrowings		195,544,663	195,544,663	195,544,663	195,544,663
Tax payable		22,487,451	22,487,451	22,487,451	22,487,451
		<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>
Total Liabilities		<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>
Total Equity and Liabilities		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,996,618,017</u>	<u>2,996,618,017</u>
No of shares (excluding treasury shares)		641,364,473	672,941,998	672,941,998	740,236,197
Net assets		<u>1,165,818,993</u>	<u>1,189,586,068</u>	<u>1,336,933,307</u>	<u>1,336,933,307</u>
NA per share (RM)		1.82	1.77	1.99	1.81
Borrowings		616,825,429	616,825,429	616,825,429	616,825,429
Gearing ratio (times)		0.51	0.50	0.45	0.45



LBS Bina Group Berhad ("LBGB")
Pro forma Consolidated Statement of Financial Position as at 31 December 2016

Appendix A

The Proforma Consolidated Statement of Financial Position as set out below have been prepared for illustrative purposes only to show the effect on the proforma consolidated statement of financial position of the LBGB Group as at 31 December 2016 and also based on the assumptions that the following events had been effected on that date.

Maximum Scenario 2

	Note	LBGB Group Level 31 December 2016 RM	After the subsequent events up to the LPD RM	Pro forma I Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, B and ESOS Options RM	Pro forma II After Rights Issue RM	Pro forma III After full conversion of the RCPS RM
NON-CURRENT ASSETS						
Property, plant and equipment		261,064,455	261,064,455	261,064,455	261,064,455	261,064,455
Capital work-in-progress		5,368,273	5,368,273	5,368,273	5,368,273	5,368,273
Land and property development costs		730,525,633	730,525,633	730,525,633	730,525,633	730,525,633
Investment properties		61,469,204	61,469,204	61,469,204	61,469,204	61,469,204
Investment in associated companies		2,635,882	2,635,882	2,635,882	2,635,882	2,635,882
Other investments		99,949,920	99,949,920	99,949,920	99,949,920	99,949,920
Goodwill on consolidation		126,979,868	126,979,868	126,979,868	126,979,868	126,979,868
		<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>	<u>1,287,993,235</u>
CURRENT ASSETS						
Land and property development costs	6	359,130,876	359,130,876	359,130,876	515,828,876	515,828,876
Inventories		187,867,294	187,867,294	187,867,294	187,867,294	187,867,294
Amount owing by customers on contracts		206,607	206,607	206,607	206,607	206,607
Accrued billings in respect of land and property development costs		326,708,441	326,708,441	326,708,441	326,708,441	326,708,441
Trade receivables		315,463,599	315,463,599	315,463,599	315,463,599	315,463,599
Other receivables		110,490,839	110,490,839	110,490,839	110,490,839	110,490,839
Tax recoverable		6,844,123	6,844,123	6,844,123	6,844,123	6,844,123
Fixed deposits with licensed banks		49,079,352	49,079,352	49,079,352	49,079,352	49,079,352
Cash held under Housing Development Accounts		74,387,290	74,387,290	74,387,290	74,387,290	74,387,290
Cash and bank balances	7	107,332,047	131,099,122	231,119,246	239,366,337	239,366,337
		<u>1,537,510,468</u>	<u>1,561,277,543</u>	<u>1,661,297,667</u>	<u>1,826,242,758</u>	<u>1,826,242,758</u>
Total Assets		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,949,290,902</u>	<u>3,114,235,993</u>	<u>3,114,235,993</u>
EQUITY						
Share capital	8	641,424,473	756,420,528	863,790,246	863,790,246	1,029,435,337
Redeemable convertible preference shares	9	-	-	-	165,645,091	-
Share premium	10	74,235,266	-	-	-	-
Treasury shares	11	(88,081)	(88,081)	-	-	-
Other reserves	12	(53,214,326)	(55,930,266)	(63,367,941)	(63,367,941)	(63,367,941)
Retained profits	13	503,461,661	489,183,887	489,183,887	488,483,887	488,483,887
Equity attributable to owners of the Parent		1,165,818,993	1,189,586,068	1,289,606,192	1,454,551,283	1,454,551,283
Non-controlling interests		41,204,571	41,204,571	41,204,571	41,204,571	41,204,571
Total Equity		<u>1,207,023,564</u>	<u>1,230,790,639</u>	<u>1,330,810,763</u>	<u>1,495,755,854</u>	<u>1,495,755,854</u>
NON-CURRENT LIABILITIES						
Trade payables		248,138,494	248,138,494	248,138,494	248,138,494	248,138,494
Other payables		54,991,839	54,991,839	54,991,839	54,991,839	54,991,839
Finance lease payables		4,126,928	4,126,928	4,126,928	4,126,928	4,126,928
Bank borrowings		314,144,391	314,144,391	314,144,391	314,144,391	314,144,391
Deferred tax liabilities		18,232,322	18,232,322	18,232,322	18,232,322	18,232,322
		<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>	<u>639,633,974</u>
CURRENT LIABILITIES						
Amount owing to customers on contracts		11,841,075	11,841,075	11,841,075	11,841,075	11,841,075
Progress billings in respect of land and property development costs		13,299,227	13,299,227	13,299,227	13,299,227	13,299,227
Trade payables		314,376,329	314,376,329	314,376,329	314,376,329	314,376,329
Other payables		318,287,973	318,287,973	318,287,973	318,287,973	318,287,973
Bank overdrafts		100,901,943	100,901,943	100,901,943	100,901,943	100,901,943
Finance lease payables		2,107,504	2,107,504	2,107,504	2,107,504	2,107,504
Bank borrowings		195,544,663	195,544,663	195,544,663	195,544,663	195,544,663
Tax payable		22,487,451	22,487,451	22,487,451	22,487,451	22,487,451
		<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>	<u>978,846,165</u>
Total Liabilities		<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>	<u>1,618,480,139</u>
Total Equity and Liabilities		<u>2,825,503,703</u>	<u>2,849,270,778</u>	<u>2,949,290,902</u>	<u>3,114,235,993</u>	<u>3,114,235,993</u>
No of shares (excluding treasury shares)		641,364,473	672,941,998	752,932,232	752,932,232	828,225,455
Net assets		1,165,818,993	1,189,586,068	1,289,606,192	1,454,551,283	1,454,551,283
NA per share (RM)		1.82	1.77	1.71	1.93	1.76
Borrowings		616,825,429	616,825,429	616,825,429	616,825,429	616,825,429
Gearing ratio (times)		0.51	0.50	0.46	0.41	0.41



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016**

1. Basis of Preparation

The Pro forma Consolidated Statement of Financial Position of LBGB Group as at 31 December 2016 has been prepared based on the audited Consolidated Statement of Financial Position of LBGB Group for the financial year ended 31 December 2016, which was prepared in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia, in a manner consistent with both the format of the financial statements and the accounting policies of LBGB.

The auditors’ reports of the audited financial statements of LBGB Group for the financial year ended 31 December 2016 were not subject to any qualification, modification or disclaimer of opinion.

The Pro forma Consolidated Statement of Financial Position of LBGB Group as at 31 December 2016 of which the Directors of LBGB Group are solely responsible, has been prepared for illustration purposes only, to show the effects on the audited Consolidated Statement of Financial Position of LBGB Group had the Rights Issue been effected on that date, and should be read in conjunction with the notes accompanying thereto.

The Pro forma Consolidated Statement of Financial Position of the Group has been prepared assuming the Rights Issue is effected as at 31 December 2016. The Rights Issue to be undertaken by LBGB Group are presented into three (3) scenarios as follows:

Minimum Scenario	: Assuming all the existing 60,000 treasury shares are retained in the Company, none of the outstanding 9,740,712 Warrants 2008/2018 (“Warrants A”), 60,183,122 Warrants 2015/2020 (“Warrants B”) and 11,975,900 exercisable ESOS Options (“ESOS Options”) are exercised prior to the Entitlement Date for the Rights Issue and the Rights Issue is undertaken on a minimum level subscription of 61,927,733 RCPS.
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**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

1. Basis of Preparation (Cont’d)

- Maximum Scenario 1 : Assuming all the existing 60,000 treasury shares are retained in the Company, none of the outstanding Warrants A, Warrants B and ESOS Options are exercised prior to the Entitlement Date for the Rights Issue and the Rights Issue is undertaken on a full subscription level basis.
- Maximum Scenario 2 : Assuming all the existing 60,000 treasury shares are resold in the open market, all the outstanding Warrants A, Warrants B (save for the 1,969,500 Warrants B held by Gaterich Sdn Bhd, of which Gaterich Sdn Bhd has undertaken not to exercise prior to the Entitlement Date for the Rights Issue) and ESOS Options are exercised prior to the Entitlement Date for the Rights Issue and the Rights Issue is undertaken on a full subscription level basis.

Utilisation of Proceeds from the Rights Issue

Based on the issue price of RM1.10 per RCPS, the Rights Issue is expected to raise gross proceeds of up to RM165.65 million and the intended manner of utilisation are as set out below:-

	Note	Timeframe for utilisation	Allocation %	Minimum Scenario RM'000	Maximum Scenario 1 RM'000	Maximum Scenario 2 RM'000
Property development projects	(1)	Within 24 months from completion	95.00	64,050	139,980	156,698
General working capital	(2)	Within 18 months from completion	5.00	3,371	7,367	8,247
			100.00	67,421	147,347	164,945
Estimated expenses in relation to the Corporate Exercises	(3)	Within 1 month from completion	- (4)	700	700	700
Total			100.00	68,121	148,047	165,645



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

1. Basis of Preparation (Cont’d)

Utilisation of Proceeds from the Rights Issue (Cont’d)

Notes:

- (1) *LBGB Group intends to utilise 95% of the proceeds (excluding estimated expenses in relation to the Corporate Exercises) to fund its property development projects as set out below. Such utilisation will include, amongst others, payments to contractors, suppliers, consultants, and payment to the relevant authorities in respect of the projects:-*

No.	Location	Indicative allocation	Expected gross development value	Expected commencement date/ commencement date	Expected completion date	Details
		%	RM'million			
1.	Bukit Jalil (Kuala Lumpur)	30.00	1,230	2 nd half of 2017	2022	Apartments (2 blocks -2,702 units)
2.	Alam Perdana (Ijok, Selangor)	20.00	1,830	2 nd half of 2017	2029	Landed residential (3,892 units) and shops (199 units)
3.	Kota Tinggi (Johor)	10.00	2,250	2 nd half of 2017	2029	Mixed development - Landed residential (5,822 units), apartments (2,373 units) and shops (346 units)
4.	Cybersouth (Dengkil, Selangor)	10.00	1,150	2 nd half of 2017	2029	Mixed development - Landed residential (5,700 units), apartments (4,500 units) and shops (100 units)
5.	Midhills (Gohtong Jaya, Pahang)	10.00	310	May 2017	2020	Apartments (604 units) (Block 2&3) -the construction of building for Block 2 is in the progress. Block 2 is expected to be completed by 2nd half of 2018. Block 3 has yet to launch.



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

1. Basis of Preparation (Cont’d)

Utilisation of Proceeds from the Rights Issue (Cont’d)

Notes:

No.	Location	Indicative allocation	Expected development gross value	Expected commencement date/ commencement date	Expected completion date	Details
		%	RM'million			
6.	Bandar Putera Indah (Batu Pahat, Johor)	10.00	284	February 2017	2020	Landed residential (765 units) - the earthworks for 141 units are in progress, those units are expected to be completed in 1st half of 2019
7.	Other projects	5.00	-	-	-	-

In the event of any delay in the abovementioned projects, the surplus will be adjusted to the proceeds allocated for other property development projects, depending on their respective funding requirements.

- (2) *LBGB Group intends to utilise 5% of the proceeds (excluding estimated expenses in relation to the Corporate Exercises) to finance day-to-day operations comprising amongst others, professional fees for consultants, marketing and promotional activities as well as payments for printing and stationery, telephone charges, utilities, and other sundry expenses.*
- (3) *The proceeds earmarked for estimated expenses in relation to the Corporate Exercises shall be utilised as set out below:-*

	RM'000
<i>Professional fees (i.e. adviser, reporting accountant and solicitors)</i>	500
<i>Regulatory fees</i>	100
<i>Other incidental expenses in relation to the Corporate Exercises</i>	100
Total	700

Any surplus or shortfall for the estimated expenses in relation to the Corporate Exercises will be adjusted accordingly against the allocation for the general working capital.

- (4) *Negligible*



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

2. Adjustment for Subsequent Events

The Pro forma Consolidated Statement of Financial Position of the Group has been prepared assuming the following subsequent events up to 14 June 2017, being the latest practicable date (“LPD”), are incorporated as at 31 December 2016:

(a) Exercise of Warrants A

There were a total number of 12,197,000 Warrants A which have been exercised into new LBGB Shares.

(b) Exercise of Warrants B

There were a total number of 13,918,625 Warrants B which have been exercised into new LBGB Shares.

(c) Exercise and grant of ESOS Options

There were a total number of 5,461,900 ESOS Options which have been exercised into new LBGB Shares and 3,309,100 ESOS Options have been granted and 1,108,100 ESOS Options have been forfeited.

(d) Declaration of Dividends

On 14 February 2017, the Company announced the declaration of the special dividend of 2 sen per Share.

(f) Combination of Share Capital and Share Premium

Pursuant to the Companies Act 2016, share capital and share premium account have been combined.



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

3. Minimum Scenario

3.1 Pro Forma I - Proposed Rights Issue and Utilisation of Proceeds

Pro Forma I incorporates the effect of the renounceable rights issue of 61,927,733 new RCPS in LBGB on the basis of 1 RCPS for every 5 existing LBGB Shares held at an issue price of RM1.10 per RCPS.

The proceeds arising from the Rights Issue (“Proceeds”) amounting to RM68.12 million are proposed to be utilised as described in Note 1.

3.2 Pro Forma II - Assuming Full Conversion of the RCPS

Pro Forma II incorporates the effect of Pro Forma I and assuming that the 61,927,733 RCPS are fully converted into 30,963,866 new LBGB Shares at the conversion ratio of 1 new LBGB Share for every 2 RCPS held.

4. Maximum Scenario 1

4.1 Pro Forma I - Proposed Rights Issue and Utilisation of Proceeds

Pro Forma I incorporates the effect of the proposed renounceable rights issue of 134,588,399 new RCPS in LBGB on the basis of 1 RCPS for every 5 existing LBGB Shares held at an issue price of RM1.10 per RCPS.

The Proceeds amounting to RM148.05 million are proposed to be utilised as described in Note 1.

4.2 Pro Forma II - Assuming Full Conversion of the RCPS

Pro Forma II incorporates the effect of Pro Forma I and assuming that the 134,588,399 RCPS are fully converted into 67,294,199 new LBGB Shares at the conversion ratio of 1 new LBGB Share for every 2 RCPS held.



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

5. Maximum Scenario 2

5.1 Pro Forma I - Assuming Resale of All Treasury Shares and Full Exercise of All Outstanding Warrants A, Warrants B and ESOS Options

Pro Forma I incorporates the effect of assuming all the existing treasury shares are resold in the open market, all the outstanding Warrants A, Warrants B (save for the 1,969,500 Warrants B held by Gaterich Sdn Bhd, of which Gaterich Sdn Bhd has undertaken not to exercise prior to the Entitlement Date for the Rights Issue) and ESOS Options are exercised prior to the Entitlement Date for the Rights Issue.

5.2 Pro Forma II - Rights Issue and Utilisation of Proceeds

Pro Forma II incorporates the effect of Pro Forma I and the renounceable rights issue of 150,586,446 new RCPS in LBGB on the basis of 1 RCPS for every 5 existing LBGB Shares held at an issue price of RM1.10 per RCPS.

The Proceeds amounting to RM165.65 million are proposed to be utilised as described in Note 1.

5.3 Pro Forma III - Assuming Full Conversion of the RCPS

Pro Forma III incorporates the effect of Pro Forma II and assuming that the 150,586,446 Consideration RCPS is fully converted into 75,293,223 new LBGB Shares at the conversion ratio of 1 new LBGB Share for every 2 RCPS held.



Appendix A

**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

6. Land and Property Development Costs

	Minimum Scenario RM
As at 31 December 2016/After subsequent events	359,130,876
Rights Issue and Utilisation of Proceeds	64,050,000
As per Pro forma I and II	<u>423,180,876</u>
	Maximum Scenario 1 RM
As at 31 December 2016/After subsequent events	359,130,876
Rights Issue and Utilisation of Proceeds	139,980,000
As per Pro forma I and II	<u>499,110,876</u>
	Maximum Scenario 2 RM
As at 31 December 2016/After subsequent events/ Pro Forma I	359,130,876
Rights Issue and Utilisation of Proceeds	156,698,000
As per Pro forma II and III	<u>515,828,876</u>



Appendix A

**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

7. Cash and Bank Balances

	Minimum Scenario RM
As at 31 December 2016	107,332,047
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Declaration of Dividends	<u>23,767,075</u>
After subsequent events	131,099,122
Rights Issue and Utilisation of Proceeds	<u>3,370,506</u>
As per Pro forma I and II	<u>134,469,628</u>
	Maximum Scenario 1 RM
As at 31 December 2016	107,332,047
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Declaration of Dividends	<u>23,767,075</u>
After subsequent events	131,099,122
Rights Issue and Utilisation of Proceeds	<u>7,367,239</u>
As per Pro forma I and II	<u>138,466,361</u>
	Maximum Scenario 2 RM
As at 31 December 2016	107,332,047
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Declaration of Dividends	<u>23,767,075</u>
After subsequent events	131,099,122
Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options	<u>100,020,124</u>
As per Pro forma I	231,119,246
Rights Issue and Utilisation of Proceeds	<u>8,247,091</u>
As per Pro forma I and II	<u>239,366,337</u>



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

8. Share Capital

	Minimum Scenario RM
As at 31 December 2016	641,424,473
Exercise of Warrants A, Warrants B and ESOS Options, and Combination of Share Capital and Share Premium	114,996,055
After subsequent events/As per Pro forma I	<u>756,420,528</u>
Assuming full conversion of RCPS	68,120,506
As per Pro forma II	<u>824,541,034</u>
	Maximum Scenario 1 RM
As at 31 December 2016	641,424,473
Exercise of Warrants A, Warrants B and ESOS Options, and Combination of Share Capital and Share Premium	114,996,055
After subsequent events/As per Pro forma I	<u>756,420,528</u>
Assuming full conversion of RCPS	148,047,239
As per Pro forma II	<u>904,467,767</u>
	Maximum Scenario 2 RM
As at 31 December 2016	641,424,473
Exercise of Warrants A, Warrants B and ESOS Options, and Combination of Share Capital and Share Premium	114,996,055
After subsequent events	<u>756,420,528</u>
Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options	107,369,718
As per Pro forma I and II	<u>863,790,246</u>
Assuming full conversion of RCPS	165,645,091
As per Pro forma III	<u>1,029,435,337</u>



Appendix A

**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

9. Redeemable Convertible Preference Shares

	Minimum Scenario RM
As at 31 December 2016/After subsequent events	-
Rights Issue and Utilisation of Proceeds	68,120,506
As per Pro forma I	<u>68,120,506</u>
Assuming full conversion of RCPS	<u>(68,120,506)</u>
As per Pro forma II	<u>-</u>
	Maximum Scenario 1 RM
As at 31 December 2016/After subsequent events	-
Rights Issue and Utilisation of Proceeds	148,047,239
As per Pro forma I	<u>148,047,239</u>
Assuming full conversion of RCPS	<u>(148,047,239)</u>
As per Pro forma II	<u>-</u>
	Maximum Scenario 2 RM
As at 31 December 2016/After subsequent events/Pro Forma I	-
Rights Issue and Utilisation of Proceeds	165,645,091
As per Pro forma II	<u>165,645,091</u>
Assuming full conversion of RCPS	<u>(165,645,091)</u>
As per Pro forma III	<u>-</u>



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

10. Share Premium

	Minimum Scenario RM
As at 31 December 2016	74,235,266
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Combination of Share Capital and Share Premium	<u>(74,235,266)</u>
After subsequent events/As per Pro forma I and II	<u>-</u>
	Maximum Scenario 1 RM
As at 31 December 2016	74,235,266
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Combination of Share Capital and Share Premium	<u>(74,235,266)</u>
After subsequent events/As per Pro forma I and II	<u>-</u>
	Maximum Scenario 2 RM
As at 31 December 2016	74,235,266
Exercise of Warrants A, Warrants B and ESOS Options, Resale of Treasury Shares, and Combination of Share Capital and Share Premium	<u>(74,235,266)</u>
As per Pro forma I, II and III	<u>-</u>



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

11. Treasury Shares

	Minimum Scenario RM
As at 31 December 2016/After subsequent events/As per Pro forma I and II	<u>(88,081)</u>
	Maximum Scenario 1 RM
As at 31 December 2016/After subsequent events/As per Pro forma I and II	<u>(88,081)</u>
	Maximum Scenario 2 RM
As at 31 December 2016/After subsequent events Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options	<u>(88,081)</u> <u>88,081</u>
As per Pro forma I, II and III	<u>-</u>



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT’D)**

12. Other Reserves

	Minimum Scenario RM
As at 31 December 2016	(53,214,326)
Exercise of Warrants A, Warrants B and ESOS Options	(2,715,940)
After subsequent events/As per Pro forma I and II	<u>(55,930,266)</u>
	Maximum Scenario 1 RM
As at 31 December 2016	(53,214,326)
Exercise of Warrants A, Warrants B and ESOS Options	(2,715,940)
After subsequent events/As per Pro forma I and II	<u>(55,930,266)</u>
	Maximum Scenario 2 RM
As at 31 December 2016	(53,214,326)
Exercise of Warrants A, Warrants B and ESOS Options	(2,715,940)
After subsequent events	<u>(55,930,266)</u>
Assuming resale of all treasury shares and full exercise of all outstanding Warrants A, Warrants B and ESOS Options	(7,437,675)
As per Pro forma I, II and III	<u>(63,367,941)</u>



**LBS BINA GROUP BERHAD (“LBGB” OR “THE COMPANY”) AND ITS
SUBSIDIARIES (“LBGB GROUP” OR “GROUP”)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 DECEMBER 2016 (CONT'D)**

13. Retained Profits

	Minimum Scenario RM
As at 31 December 2016	503,461,661
Exercise of ESOS Options and Declaration of Dividends	(14,277,774)
After subsequent events	<u>489,183,887</u>
Estimated expenses in relation to the Corporate Exercises	(700,000)
As per Pro forma I and II	<u>488,483,887</u>
	Maximum Scenario 1 RM
As at 31 December 2016	503,461,661
Exercise of ESOS Options and Declaration of Dividends	(14,277,774)
After subsequent events	<u>489,183,887</u>
Estimated expenses in relation to the Corporate Exercises	(700,000)
As per Pro forma I and II	<u>488,483,887</u>
	Maximum Scenario 2 RM
As at 31 December 2016	503,461,661
Exercise of ESOS Options and Declaration of Dividends	(14,277,774)
After subsequent events/As per Pro forma I	<u>489,183,887</u>
Rights Issue and Utilisation of Proceeds	(700,000)
As per Pro forma II and III	<u>488,483,887</u>



AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31
DECEMBER 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON



A handwritten signature in black ink, appearing to read 'TAN TIAN WOOLI'.

.....
TAN TIAN WOOLI
CA(M), CPA(M)
Managing Partner

Approved Number: 2969/05/18(J)

LBS BINA GROUP BERHAD
(Company No. 518482-H)
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31 DECEMBER 2016

**Registered office and
principal place of business:
Plaza Seri Setia, Level 1-4
No.1, Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan**

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2016

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LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2016.

Principal Activities

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies in the Group. The principal activities of the subsidiary companies are disclosed in Note 50 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

	Group RM	Company RM
Net profit for the financial year	<u>85,201,568</u>	<u>75,655,416</u>
Attributable to:		
Owners of the Parent	85,300,772	75,655,416
Non-controlling interests	<u>(99,204)</u>	<u>-</u>
	<u>85,201,568</u>	<u>75,655,416</u>

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividends

Since the end of the last financial year, the Company paid the following dividends:

	RM
In respect of the financial year ended 31 December 2015 :	
A tax exempt special dividend of 6 sen per ordinary share on 545,320,317 ordinary shares of RM1.00 each, paid on 26 January 2016	32,719,219
A single tier first and final dividend of 3.5 sen per ordinary share on 612,899,598 ordinary shares of RM1.00 each, paid on 5 September 2016	21,451,485
In respect of the financial year ended 31 December 2016 :	
A tax exempt special dividend of 2 sen per ordinary share on 637,337,773 ordinary shares of RM1.00 each, paid on 11 November 2016	12,746,756
A tax exempt special dividend of 2 sen per ordinary share on 651,391,198 ordinary shares of RM1.00 each, paid on 17 March 2017	13,027,823
	<u>79,945,283</u>

On 5 April 2017, the directors:

- (i) confirmed the payment date of a tax exempt special dividend of 2 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2016 pursuant to the announcement made on 6 May 2016. This dividend will be paid on 30 June 2017 to depositors registered in the Record of Depositors on 20 June 2017. The financial statements for the current financial year do not reflect this special dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2017; and
- (ii) declared a tax exempt special dividend of 6 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2017. This dividend will be paid in 3 tranches, 2 sen for each tranche. The date of entitlement and payment will be confirmed later. The financial statements for the current financial year do not reflect this special dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial years ending 31 December 2017 and 31 December 2018.

On 25 April 2017, the directors:

- (i) declared a single tier interim dividend of 2 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2016. This interim dividend will be paid on 24 July 2017 to depositors registered in the Record of Depositors on 11 July 2017; and
- (ii) proposed a single tier final dividend of 2 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2016. The proposed dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The financial statements for the current financial year do not reflect the dividends declared or proposed on 25 April 2017. Such dividends will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2017.

Issue of Shares and Debentures

During the financial year, the Company increased its issued and paid-up share capital from 551,437,117 to 641,424,473 by way of issuance of 89,987,356 new ordinary shares of RM1.00 each as follows:

- (a) 2,997,900 new ordinary shares of RM1.00 each for cash arising from the exercise of share options under Employees' Share Option Scheme at a weighted average exercise price of RM1.30 per ordinary share;
- (b) 24,676,306 new ordinary shares of RM1.00 each for cash arising from the exercise of Warrants A at an exercise price of RM1.00 per ordinary share; and
- (c) 62,313,150 new ordinary shares of RM1.00 each for cash arising from the exercise of Warrants B at an exercise price of RM1.25 per ordinary share.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Treasury Shares

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 9 June 2016, renewed their approval for the Company's plan to repurchase its own shares. The directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company repurchased 15,000 of its issued shares from the open market. The average price paid for the shares repurchased was RM1.61 per share. The total consideration paid for the repurchase including transaction costs was RM24,185. The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

During the financial year, the Company has also disposed of 6,071,800 of its treasury shares in the open market for a total consideration of RM8,835,542.

As at 31 December 2016, the total number of treasury shares held by the Company was 60,000 out of the total 641,424,473 issued ordinary shares. Further relevant details are disclosed in Note 23 to the financial statements.

Warrants

Warrants 2008/2018 (“Warrants A”)

The Warrants A were constituted under the Deed Poll dated 30 April 2008.

As at 31 December 2016, the total number of Warrants A that remain unexercised were 21,937,712.

The salient terms of the Warrants A are detailed in Note 24(e)(i) to the financial statements.

Warrants 2015/2020 (“Warrants B”)

The Warrants B were constituted under the Deed Poll dated 3 September 2015.

As at 31 December 2016, the total number of Warrants B that remain unexercised were 74,101,747.

The salient terms of the Warrants B are detailed in Note 24(e)(ii) to the financial statements.

Details of Warrants issued to Directors are disclosed in the section of Directors’ Interests in this report.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Employees’ Share Option Scheme (“ESOS”).

Employees’ Share Option Scheme (“ESOS”)

The Company has established an Employees’ Share Option Scheme (“ESOS”) of not more than 15% of the issued share capital of the Company at the point of time throughout the duration of the scheme to eligible directors and employees of the Group, which was approved by shareholders at an Extraordinary General Meeting (“EGM”) held on 28 June 2012.

The ESOS shall be in force for a period of 10 years from 18 September 2012 to 17 September 2022. The salient features and other terms of the ESOS and the movement of options over unissued shares of the Company granted under the ESOS during the financial year are disclosed in Note 37 to the financial statements.

Details of the options granted to directors are disclosed in the section of directors’ interests in this report.

Employees' Share Option Scheme ("ESOS") (Cont'd)

During the financial year, the Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the name of option holders, other than directors, who have been granted options during the financial year to subscribe for less than 95,200 ordinary shares of RM1.00 each and details of their holdings as required by Section 169(11) of the Companies Act, 1965. This information has been separately filed with the Companies Commission of Malaysia.

The list of employees who have been granted options to subscribe for ordinary shares of RM1.00 each of 95,200 and more during the financial year are as follows:

	No. of options over ordinary shares of RM1.00 each granted
Chen Sau Hiong	95,200
Datuk Haji Baharum Bin Haji Mohamed	119,000
Datuk Lim Lit Chek	119,000
Datuk Lim Si Cheng	119,000
Lee Hon Meng	345,100
Lim Seng Lee	119,000
Lim Tong Lee	119,000
Loh Yin Hui	357,000
Ng Kian Lai	95,200
Tan Seng Teong	95,200
Ter Chiew Yen	208,300
Thanasegaran Sukumaran	136,900
Wong Tack Leong	95,200

Directors

The directors in office since the date of the last report are:

Dato' Seri Lim Bock Seng, SSSA, DPMS, AMN
 Tan Sri Lim Hock San, PSM, SSAP, DSSA, JP
 Datuk Wira Lim Hock Guan, DCSM, DMSM, PJK, JP
 Maj (Hon) Dato' Sri Lim Hock Sing, SSAP, DIMP, JP
 Datuk Lim Hock Seong, DMSM
 Dato' Chia Lok Yuen, DIMP
 Dato' Lim Mooi Pang, DIMP
 Lim Tong Lee
 Datuk Haji Baharum Bin Haji Mohamed, DMSM, AMN, PIS
 Datuk Lim Si Cheng, PJN, PIS

Directors' Interests

The interests and deemed interests in the share capital, warrants and options over the shares and debentures of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were directors at the end of the financial year (including their spouses or children) according to the register of directors' Shareholdings are as follows:

	No. of ordinary shares of RM1.00 each			
	At 1.1.2016	Acquired	Disposed	At 31.12.2016
Gaterich Sdn. Bhd.				
Direct interests				
Tan Sri Lim Hock San	2,500,000	-	-	2,500,000
Datuk Wira Lim Hock Guan	1,000,000	-	-	1,000,000
Maj (Hon) Dato' Sri Lim Hock Sing	750,000	-	-	750,000
Datuk Lim Hock Seong	750,000	-	-	750,000
LBS Bina Group Berhad				
Direct interests				
Dato' Seri Lim Bock Seng	1,540,000	-	500,000	1,040,000
Tan Sri Lim Hock San	12,141,700	666,500	9,000,000	3,808,200
Datuk Wira Lim Hock Guan	7,868,360	-	-	7,868,360
Maj (Hon) Dato' Sri Lim Hock Sing	825,000	-	800,000	25,000
Datuk Lim Hock Seong	1,009,500	100,000	1,000,000	109,500
Dato' Chia Lok Yuen	1,980,000	250,000	1,200,000	1,030,000
Dato' Lim Mooi Pang	959,900	100,000	-	1,059,900

Directors' Interests (Cont'd)

	No. of ordinary shares of RM1.00 each			
	At			At
	1.1.2016	Acquired	Disposed	31.12.2016
LBS Bina Group Berhad				
Indirect interests				
Dato' Seri Lim Bock Seng ²	2,626,000	55,000	677,000	2,004,000
Tan Sri Lim Hock San ³	297,538,660	66,526,646	35,078,500	328,986,806
Datuk Wira Lim Hock Guan ³	297,439,160	66,378,946	35,000,000	328,818,106
Maj (Hon) Dato' Sri Lim Hock Sing ³	296,737,160	66,414,946	35,000,000	328,152,106
Datuk Lim Hock Seong ³	296,667,160	66,400,946	35,000,000	328,068,106

**No. of options over ordinary shares of RM1.00 each
("ESOS")**

	At			At
	1.1.2016	Granted	Exercised	31.12.2016
	LBS Bina Group Berhad			
Direct interests				
Dato' Lim Mooi Pang	153,000	-	-	153,000
Lim Tong Lee	119,000	119,000	-	238,000
Datuk Haji Baharum bin Haji Mohammed	119,000	119,000	-	238,000
Datuk Lim Si Cheng	119,000	119,000	-	238,000

No. of Warrants A of RM1.00 each

	At			At
	1.1.2016	Acquired	Exercised	31.12.2016
	LBS Bina Group Berhad			
Direct interests				
Dato' Seri Lim Bock Seng	140,000	-	-	140,000
Tan Sri Lim Hock San	331,400	861,500	666,500	526,400
Dato' Chia Lok Yuen	50,000	450,000	-	500,000
Dato' Lim Mooi Pang	-	120,000	-	120,000
Indirect interests				
Dato' Seri Lim Bock Seng ²	404,000	-	-	404,000
Tan Sri Lim Hock San ¹	8,378,946	-	8,378,946	-
Datuk Wira Lim Hock Guan ¹	8,378,946	-	8,378,946	-
Maj (Hon) Dato' Sri Lim Hock Sing ³	8,433,746	14,000	8,378,946	68,800
Datuk Lim Hock Seong ¹	8,378,946	-	8,378,946	-

Directors' Interests (Cont'd)

	No. of Warrants B of RM1.25 each			At 31.12.2016
	At 1.1.2016	Acquired	Exercised	
LBS Bina Group Berhad				
Direct interests				
Dato' Seri Lim Bock Seng	385,000	-	-	385,000
Tan Sri Lim Hock San	3,060,425	419,800	-	3,480,225
Datuk Wira Lim Hock Guan	1,967,090	-	-	1,967,090
Maj (Hon) Dato' Sri Lim Hock Sing	206,250	-	-	206,250
Datuk Lim Hock Seong	252,375	-	100,000	152,375
Dato' Chia Lok Yuen	495,000	110,000	250,000	355,000
Dato' Lim Mooi Pang	239,975	-	-	239,975
Indirect interests				
Dato' Seri Lim Bock Seng ²	656,500	-	-	656,500
Tan Sri Lim Hock San ³	74,384,664	-	58,147,700	16,236,964
Datuk Wira Lim Hock Guan ³	74,359,789	-	58,000,000	16,359,789
Maj (Hon) Dato' Sri Lim Hock Sing ³	74,184,289	9,000	58,000,000	16,193,289
Datuk Lim Hock Seong ³	74,166,789	-	58,022,000	16,144,789

Note:

¹ Deemed interests pursuant to Section 6A of the Companies Act, 1965 by virtue of their direct interests in Gaterich Sdn. Bhd.

² Deemed interests pursuant to Section 134(12)(c) of the Companies Act, 1965 in compliance with the Companies (Amendment) Act, 2007 by virtue of their spouse and/or child direct interests in the Company.

³ Deemed interests pursuant to Section 134(12)(c) of the Companies Act, 1965 in compliance with the Companies (Amendment) Act, 2007 by virtue of their spouse and/or child direct interests in the Company and Section 6A of the Companies Act, 1965 by virtue of their direct interests in Gaterich Sdn. Bhd.

By virtue of their interests in the shares of the Company, Tan Sri Lim Hock San, Datuk Wira Lim Hock Guan, Maj (Hon) Dato' Sri Lim Hock Sing and Datuk Lim Hock Seong are also deemed to have interests in the shares of all the subsidiary companies to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

Directors' Benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than certain directors who have significant financial interests in the companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 41 to the financial statements.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, other than those arising from the share options granted under the ESOS.

Other Statutory Information

- (a) Before the statements of financial position and statements of profit or loss and other comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance for doubtful debts had been made; and
 - (ii) to ensure that any current assets which were unlikely to realise their values in the ordinary course of business as shown in the accounting records had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Other Statutory Information (Cont'd)

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, except as disclosed in the notes to the financial statements; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Significant Events

Details of significant events are disclosed in Note 45 to the financial statements.

Subsequent Events

Details of subsequent events are disclosed in Note 46 to the financial statements.

Holding company

The holding company is Gaterich Sdn. Bhd., a private limited liability company, incorporated under the Company Act, 1965 and domiciled in Malaysia.

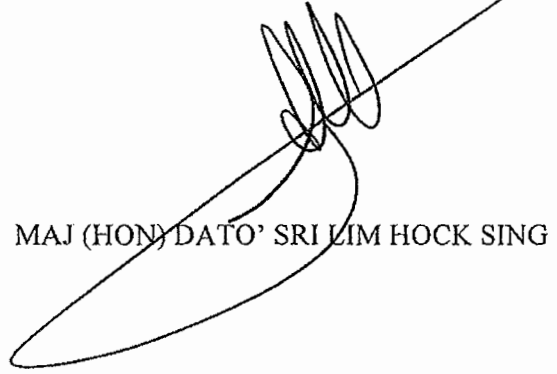
Auditors

The Auditors, Messrs UHY, have expressed their willingness to continue in office.

Signed on behalf of the board of directors in accordance with a resolution of the directors dated 25 April 2017.



TAN SRI LIM HOCK SAN
KUALA LUMPUR



MAJ (HON) DATO' SRI LIM HOCK SING


LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 169(15) of the Companies Act, 1965

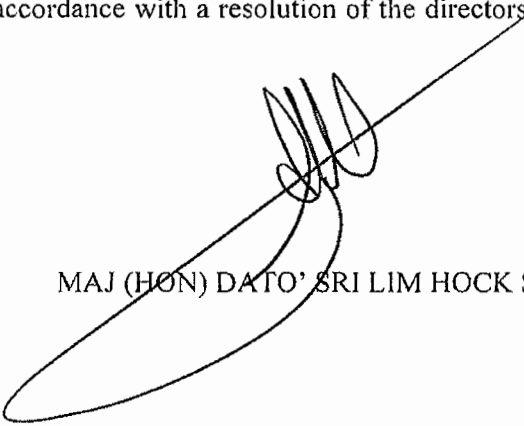
We, the undersigned, being two of the directors of the Company, do hereby state that, in the opinion of the directors, the financial statements set out on pages 24 to 176 are drawn up in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016 and of their financial performance and cash flows for the financial year then ended.

The supplementary information set out in Note 54 to the financial statements on page 177 have been compiled in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the board of directors in accordance with a resolution of the directors dated 25 April 2017.



TAN SRI LIM HOCK SAN
KUALA LUMPUR




MAJ (HON) DATO' SRI LIM HOCK SING

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

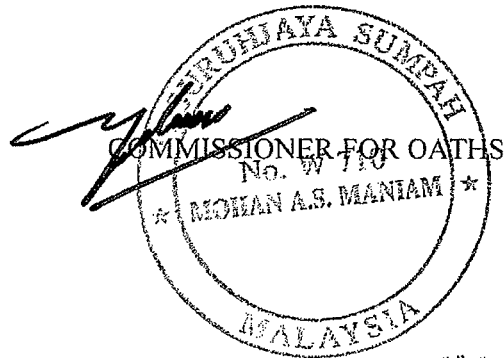
STATUTORY DECLARATION
Pursuant to Section 169(16) of the Companies Act, 1965

I, Dato' Lim Mooi Pang, being the director primarily responsible for the financial management of LBS Bina Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 24 to 177 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provision of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the)
Federal Territory on 25 April 2017)


DATO' LIM MOOI PANG

Before me,



Tingkat 20 Ambank Group Building
55, Jln. Raja Chulan, 50200 Kuala Lumpur



UHY (AFI411)
Chartered Accountants
Suite 11.05, Level 11
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LBS BINA GROUP BERHAD

(Company No. : 518482-H)
(Incorporated in Malaysia)

Report on the Financial Statements

Opinion

We have audited the financial statements of LBS Bina Group Berhad, which comprise the statements of financial position as at 31 December 2016 of the Group and of the Company, and the statements of profit and loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 24 to 176.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016, and of their financial performance and their cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Requirements

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

How we addressed the key audit matters

1. Carrying value of land and property development costs and revenue recognition

The Group's assessment of the carrying value of land and property development costs, being the lower of cost and net realisable value, is a judgemental process. This requires the estimation of selling prices, sales rates and costs to complete, determined on a project by project basis. These factors drive the gross margin for each project and hence the profit recognised at the point of sale.

There is a risk that the actual revenue and costs are different to those forecast across the whole projects resulting in material misstatement of land and property development costs and gross profit recognised.

We conducted testing in relation to the revenue recognised under FRS 201₂₀₀₄ *Property Development Activities*. This testing involved both tests of detail and analytical procedures.

We have performed the following audit procedures:

- we assessed the judgements in relation to the future profitability of the project with reference to the project budget; and
- we recalculated the percentage of completion as at the reporting date. We assessed the management's assumption in estimating the costs to completions and verified the budgeted cost to suppliers' contracts and sub-contractors' contracts. We verified the costs to work certifications and the total sales value agreed to contracts.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)

(Incorporated in Malaysia)

Key Audit Matters (cont'd)

Key audit matters	How we addressed the key audit matters
<p>1. Carrying value of land and property development costs and revenue recognition (cont'd)</p> <p>There is also a risk that costs are inappropriately recognised within land and property development costs or that the allocation of costs that relate to the whole projects, such as land and infrastructure, is inappropriate across development phases, resulting in a material misstatement of land and property development or gross profit of each project.</p>	<p>At the analytical level, we developed an expectation of the income that should be recognised in the financial year from this revenue stream, with reference to the level of completion.</p> <p>We assessed the competence and objectivity of the qualified surveyors employed by the Group and the use of these experts to estimate the level of completion.</p> <p>We visited a sample of sites to verify how surveyors measure the degree of build completion of the developments.</p> <p>We inspected the sales and purchase contracts for all significant new land acquisitions to understand the terms and identify any deferred or contingent payments therein.</p> <p>We have considered the adequacy of the Group's disclosures regarding this revenue stream and whether they are in accordance with FRS 201₂₀₀₄ <i>Property Development Activities</i>.</p>



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Key Audit Matters (cont'd)

Key audit matters	How we addressed the key audit matters
<p>2. Goodwill impairment review</p> <p>The Group has significant goodwill allocated to the property development cash generating units ("CGUs"). Goodwill shall be tested for impairment annually in accordance to FRS 136 <i>Impairment of Assets</i>. The estimation of recoverable amount is complex and significant judgement is required for estimates, specifically cashflows projections, discount rates and short term growth rates. Due to the inherent uncertainty involved in forecasting and discounting future cash flows, this is the key judgemental area that our audit was concentrated on.</p>	<p>We assessed the reasonableness of the cash flows forecasts and supporting evidence of the underlying assumptions, by checking to approved budgets and comparing expected growth rates to relevant market expectations.</p> <p>We performed sensitivity analysis on the key inputs (including discount rates and long term growth rates) to the impairment model, to understand the impact that reasonably possible changes to key assumptions would have on the overall carrying value of the goodwill at the end of the reporting period.</p> <p>We tested the discount rates assigned to the cash generating units, as well as the long-term growth rates, with reference to our understanding of the business, comparisons to other similar companies, economic and industry forecasts where appropriate. We considered evidence available to support the discount rates used, and consistency with findings from other areas of the audit.</p> <p>We considered the adequacy of management's disclosures in respect of impairment testing and whether the disclosures appropriately communicate the underlying sensitivities.</p>



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Key Audit Matters (cont'd)

Key audit matters	How we addressed the key audit matters
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**3. Acquisition of ML Global Berhad –
purchase price allocation**

During the financial year, the Group completed the acquisition of 19.23% equity interest in ML Global Berhad for a total consideration of RM9.65 million. Accounting for business combinations is complex and requires the recognition of both consideration paid and acquired assets and liabilities at the acquisition date at fair values, which can involve significant judgement and estimates.

In addition, accounting policies of the acquired entities must be aligned to the group's accounting policies, which may involve significant judgement and estimates.

FRS 3 *Business Combinations* requires the Group to recognise the identifiable assets, liabilities and contingent liabilities at fair value at the date of acquisition, with the excess of the acquisition cost over the identified fair values recognised as goodwill. This requires a significant amount of management estimation, particularly in relation to the identification and valuation of intangible assets and assignment of their useful lives.

We have discussed with management and their external specialists to assess the appropriateness and reasonableness of the purchase price allocation. Our procedures included the followings:

- reviewed the appropriateness of the acquisition accounting applied, including the timing at which control was deemed to have passes;
- reviewed and considered the appropriateness of the fair values ascribed to assets and liabilities of the acquired business;
- challenged the assumptions in the specialist valuation report supporting goodwill;
- assessed management's key assumptions applied in the purchase price allocation in arriving at the fair value of the assets acquired and liabilities assumed, including the fair valuation of identified intangible assets, to be within a reasonable range of our audit expectations; and
- assessed the adequacy of the disclosure in the financial statements.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Information Other than the financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current finance year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are indicated in Note 8 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 54 on page 177 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.




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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LBS BINA GROUP BERHAD (CONT'D)**

(Company No. : 518482-H)
(Incorporated in Malaysia)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.


UHY
Firm Number: AF 1411
Chartered Accountants


TAN TIAN WOOI
Approved Number: 2969/05/18 (J)
Chartered Accountant

KUALA LUMPUR
25 April 2017

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Non-Current Assets					
Property, plant and equipment	4	261,064,455	240,941,611	-	-
Capital work-in-progress	5	5,368,273	6,229,079	-	-
Land and property development costs	6	730,525,633	515,026,439	-	-
Investment properties	7	61,469,204	33,767,090	-	-
Investment in subsidiary companies	8	-	-	614,931,383	393,366,006
Investment in associated companies	9	2,635,882	13,879,340	-	7,305,338
Promissory note	10	-	100,498,924	-	-
Other investments	11	99,949,920	94,983,631	-	-
Goodwill on consolidation	12	126,979,868	84,217,235	-	-
Total Non-Current Assets		<u>1,287,993,235</u>	<u>1,089,543,349</u>	<u>614,931,383</u>	<u>400,671,344</u>

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016 (CONT'D)

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Current Assets					
Land and property development costs	6	359,130,876	437,734,614	-	-
Inventories	13	187,867,294	76,537,272	-	-
Amount owing by customers on contracts	14	206,607	56,017	-	-
Accrued billings in respect of land and property development costs		326,708,441	149,080,582	-	-
Trade receivables	15	315,463,599	196,123,831	-	-
Other receivables	16	110,490,839	92,873,289	340,736	3,318,220
Promissory note	10	-	105,523,704	-	-
Other investments	11	-	38,488,161	-	11,029,697
Amount owing by subsidiary companies	17	-	-	186,165,269	256,720,778
Tax recoverable		6,844,123	8,042,029	-	160,778
Fixed deposits with licensed banks	18	49,079,352	33,471,075	31,442,414	15,670,959
Cash held under Housing Development Accounts	19	74,387,290	87,735,381	-	-
Cash and bank balances	20	107,332,047	106,385,800	23,577,418	4,739,917
Total Current Assets		<u>1,537,510,468</u>	<u>1,332,051,755</u>	<u>241,525,837</u>	<u>291,640,349</u>
Total Assets		<u>2,825,503,703</u>	<u>2,421,595,104</u>	<u>856,457,220</u>	<u>692,311,693</u>

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016 (CONT'D)

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Equity					
Share capital	21	641,424,473	551,437,117	641,424,473	551,437,117
Share premium	22	74,235,266	48,298,035	74,235,266	48,298,035
Treasury shares	23	(88,081)	(8,634,411)	(88,081)	(8,634,411)
Other reserves	24	(53,214,326)	(24,605,115)	10,153,615	16,999,926
Retained profits/ (Accumulated losses)		503,461,661	465,165,545	(67,062,890)	(95,713,650)
Equity attributable to owners of the Parent		1,165,818,993	1,031,661,171	658,662,383	512,387,017
Non-controlling interests		41,204,571	(19,288,472)	-	-
Total Equity		1,207,023,564	1,012,372,699	658,662,383	512,387,017
Non-Current Liabilities					
Trade payables	25	248,138,494	93,613,370	-	-
Other payables	26	54,991,839	56,228,935	-	-
Amount owing to a subsidiary company	17	-	-	62,411,867	-
Finance lease payables	27	4,126,928	5,099,292	-	-
Bank borrowings	28	314,144,391	287,939,163	18,390,117	18,783,730
Deferred tax liabilities	29	18,232,322	32,271,601	-	-
Total Non-Current Liabilities		639,633,974	475,152,361	80,801,984	18,783,730

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016 (CONT'D)

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Current Liabilities					
Amount owing to customers on contracts	14	11,841,075	5,602,800	-	-
Progress billings in respect of land and property development costs		13,299,227	45,209,124	-	-
Trade payables	25	314,376,329	315,942,280	-	-
Other payables	26	318,287,973	281,302,004	14,436,686	33,471,401
Bank overdrafts	30	100,901,943	43,665,940	42,650,845	8,631,290
Finance lease payables	27	2,107,504	1,700,660	-	-
Bank borrowings	28	195,544,663	229,765,752	57,579,230	62,060,247
Amount owing to subsidiary companies	17	-	-	2,236,183	56,978,008
Tax payable		22,487,451	10,881,484	89,909	-
Total Current Liabilities		<u>978,846,165</u>	<u>934,070,044</u>	<u>116,992,853</u>	<u>161,140,946</u>
Total Liabilities		<u>1,618,480,139</u>	<u>1,409,222,405</u>	<u>197,794,837</u>	<u>179,924,676</u>
Total Equity and Liabilities		<u>2,825,503,703</u>	<u>2,421,595,104</u>	<u>856,457,220</u>	<u>692,311,693</u>

The accompanying notes form an integral part of the financial statements.

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Revenue	31	993,619,057	680,295,861	80,841,184	65,599,000
Cost of sales	32	(673,997,786)	(445,041,756)	-	-
Gross profit		319,621,271	235,254,105	80,841,184	65,599,000
Other income		53,690,034	28,072,285	22,803,211	12,116,782
Administrative and operating expenses		(204,520,156)	(135,025,557)	(17,416,642)	(14,262,660)
Profit from operations		168,791,149	128,300,833	86,227,753	63,453,122
Finance costs	33	(23,625,102)	(21,831,551)	(7,346,121)	(6,384,242)
Share of (losses) / profits in associated companies, net of tax		(1,211,779)	2,365,638	-	-
Profit before taxation	34	143,954,268	108,834,920	78,881,632	57,068,880
Taxation	35	(58,752,700)	(38,338,935)	(3,226,216)	(2,387,634)
Net profit for the financial year		85,201,568	70,495,985	75,655,416	54,681,246
Other comprehensive income, net of tax :					
Exchange translation differences for foreign operations		(2,101,650)	64,911,675	-	-
Gain / (Loss) on revaluation of available-for-sale financial assets		752,318	(21,232,278)	-	19,750
Reclassification adjustment for impairment loss on available-for-sale financial assets		27,025,897	-	-	-
Reclassification adjustment for disposal of available-for-sale financial assets		-	1,888,206	-	(73,824)
		25,676,565	45,567,603	-	(54,074)
Total comprehensive income for the financial year		110,878,133	116,063,588	75,655,416	54,627,172

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)**

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Net profit for the financial year attributable to:					
Owners of the Parent		85,300,772	76,074,430	75,655,416	54,681,246
Non-controlling interests		(99,204)	(5,578,445)	-	-
		<u>85,201,568</u>	<u>70,495,985</u>	<u>75,655,416</u>	<u>54,681,246</u>
Total comprehensive income for the financial year attributable to:					
Owners of the Parent		112,712,168	126,835,601	75,655,416	54,627,172
Non-controlling interests		(1,834,035)	(10,772,013)	-	-
		<u>110,878,133</u>	<u>116,063,588</u>	<u>75,655,416</u>	<u>54,627,172</u>
Earnings per share attributable to owners of the Parent (sen)					
Basic earnings per share	36(a)	<u>14.47</u>	<u>14.09</u>		
Diluted earnings per share	36(b)	<u>13.85</u>	<u>13.13</u>		

The accompanying notes form an integral part of the financial statements.

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)**

Group	Note	Attributable to owners of the Parent					Total RM	Non- Controlling Interests RM	Total Equity RM
		Share Capital RM	Share Premium RM	Non - distributable Other Reserves RM	Treasury Shares RM	Distributable Retained Profits RM			
At 1 January 2015		538,298,257	44,586,608	(38,422,577)	(14,678,685)	439,277,991	(7,207,160)	961,854,434	
Net profit for the financial year		-	-	-	-	76,074,430	(5,578,445)	70,495,985	
Foreign currency translation		-	-	70,105,243	-	-	(5,193,568)	64,911,675	
Loss on revaluation of available-for-sale financial assets		-	-	(21,232,278)	-	-	-	(21,232,278)	
Reclassification adjustment for disposal of available-for-sale financial assets		-	-	1,888,206	-	-	-	1,888,206	
Total comprehensive income for the financial year		-	-	50,761,171	-	76,074,430	(10,772,013)	116,063,588	

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

Group	Note	Attributable to owners of the Parent						Total RM	Non- Controlling Interests RM	Total Equity RM
		Share Capital RM	Share Premium RM	Non - distributable Other Reserves RM	Treasury Shares RM	Distributable Retained Profits RM	Total RM			
At 1 January 2016		551,437,117	48,298,035	(24,605,115)	(8,634,411)	465,165,545	1,031,661,171	(19,288,472)	1,012,372,699	
Net profit for the financial year		-	-	-	-	85,300,772	85,300,772	(99,204)	85,201,568	
Foreign currency translation		-	-	(366,819)	-	-	(366,819)	(1,734,831)	(2,101,650)	
Gain on revaluation of available-for-sale financial assets		-	-	752,318	-	-	752,318	-	752,318	
Reclassification adjustment for impairment loss on available-for-sale financial assets		-	-	27,025,897	-	-	27,025,897	-	27,025,897	
Total comprehensive income for the financial year		-	-	27,411,396	-	85,300,772	112,712,168	(1,834,035)	110,878,133	

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)**

Group	Note	Attributable to owners of the Parent							Total Equity RM	
		Share Capital RM	Share Premium RM	Non - distributable Other Reserves RM	Treasury Shares RM	Distributable Retained Profits RM	Non- Controlling Interests RM	Total RM		
	8(d)	-	-	(49,174,296)	-	-	-	(49,174,296)	58,204,139	9,029,843
		-	-	-	-	-	-	-	16,106,921	16,106,921
	39	-	-	-	-	-	-	(47,226,064)	(9,983,982)	(9,983,982)
		-	-	-	-	-	-	(47,226,064)	-	(47,226,064)
		-	-	-	-	-	-	-	(2,000,000)	(2,000,000)
	21, 22, 24(e)	86,989,456	18,045,919	(2,467,631)	-	-	-	102,567,744	-	102,567,744
	21, 22, 24(b)	2,997,900	7,626,285	(6,730,885)	-	-	-	3,893,300	-	3,893,300
	22, 23	-	265,027	-	8,570,515	-	-	8,835,542	-	8,835,542
	24(b)	-	-	(221,408)	-	221,408	-	-	-	-
	24(b)	-	-	2,573,613	-	-	-	2,573,613	-	2,573,613
	23	-	-	-	(24,185)	-	-	(24,185)	-	(24,185)
		89,987,356	25,937,231	(56,020,607)	8,546,330	(47,004,656)	-	21,445,654	62,327,078	83,772,732
		641,424,473	74,235,266	(53,214,326)	(88,081)	503,461,661	1,165,818,993	41,204,571	1,207,023,564	

At 31 December 2016

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)**

Company	Note	Non-distributable										Total RM
		Share Capital RM	Share Premium RM	Share ESOS Reserve RM	Warrants Reserves RM	Treasury Shares RM	Fair value Reserve RM	Accumulated Losses RM	Share ESOS Reserve RM	Warrants Reserves RM	Treasury Shares RM	
At 1 January 2015		538,298,257	44,586,608	9,945,172	5,171,672	(14,678,685)	54,074	(100,208,020)				483,169,078
Net profit for the financial year		-	-	-	-	-	-	54,681,246				54,681,246
Gain on revaluation of available-for-sale financial assets		-	-	-	-	-	19,750	-				19,750
Reclassification adjustment for disposal of available-for-sale financial assets		-	-	-	-	-	(73,824)	-				(73,824)
Total comprehensive income for the financial year		-	-	-	-	-	(54,074)	54,681,246				54,627,172
Transactions with owners:												
Dividends paid / payable	39	-	-	-	-	-	-	(50,478,466)				(50,478,466)
Issuance of shares:												
- Exercise of warrants	21, 22, 24(e)	9,668,560	969,106	-	(965,356)	-	-	-				9,672,310
- Exercise of ESOS	21, 22	3,470,300	391,361	-	-	-	-	-				3,861,661
Own shares sold	22, 23	-	2,350,960	-	-	16,944,663	-	-				19,295,623
Issuance of Warrants B	24(e)	-	-	-	64,122,052	-	(64,122,052)	-				-
Realisation of warrants reserves	24(e)	-	-	-	(7,050)	-	7,050	-				-
Realisation of ESOS reserve	24(b)	-	-	(291,590)	-	-	-	291,590				-
Share-based payment	24(b)	-	-	3,140,028	-	-	-	-				3,140,028
Shares repurchased	23	-	-	-	-	(10,900,389)	-	-				(10,900,389)
At 31 December 2015		13,138,860	3,711,427	2,848,438	63,149,646	6,044,274	(64,115,002)	(50,186,876)				(25,409,233)
		551,437,117	48,298,035	12,793,610	68,321,318	(8,634,411)	(64,115,002)	(95,713,650)				512,387,017

LBS BINA GROUP BERHAD

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**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

Company	Note	Non-distributable							Total RM
		Share Capital RM	Share Premium RM	ESOS Reserve RM	Warrants Reserves RM	Treasury Shares RM	Fair value Reserve RM	Accumulated Losses RM	
At 1 January 2016		551,437,117	48,298,035	12,793,610	68,321,318	(8,634,411)	(64,115,002)	(95,713,650)	512,387,017
Net profit for the financial year		-	-	-	-	-	-	75,655,416	75,655,416
Total comprehensive income for the financial year		-	-	-	-	-	-	75,655,416	75,655,416
Transactions with owners:									
Dividends paid / payable	39	-	-	-	-	-	-	(47,226,064)	(47,226,064)
Issuance of shares:									
- Exercise of warrants	21, 22, 24(e)	86,989,456	18,045,919	-	(2,467,631)	-	-	-	102,567,744
- Exercise of ESOS	21, 22, 24(b)	2,997,900	7,626,285	(6,730,885)	-	-	-	-	3,893,300
Own shares sold	22, 23	-	265,027	-	-	8,570,515	-	-	8,835,542
Realisation of warrants reserves	24(e)	-	-	-	(29,287,181)	-	29,287,181	-	-
Realisation of ESOS reserve	24(b)	-	-	(221,408)	-	-	-	221,408	-
Share-based payment	24(b)	-	-	2,573,613	-	-	-	-	2,573,613
Shares repurchased	23	-	-	-	-	(24,185)	-	-	(24,185)
At 31 December 2016		89,987,356	25,937,231	(4,378,680)	(31,754,812)	8,546,330	29,287,181	(47,004,656)	70,619,950
		641,424,473	74,235,266	8,414,930	36,566,506	(88,081)	(34,827,821)	(67,062,890)	658,662,383

The accompanying notes form an integral part of the financial statements.

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016	2015
	RM	RM
Cash Flows From Operating Activities		
Profit before taxation :	143,954,268	108,834,920
Adjustments for:		
Allowance for impairment losses on:		
- Available-for-sale financial assets	27,025,897	-
- Goodwill arising on consolidation	6,040,342	2,926,366
- Investment in an associated company	-	3,578,431
- Other investments	-	100,000
- Trade and other receivables	651,782	-
Bad debts written off	313,971	29,263
Depreciation of :		
- Investment properties	796,128	757,554
- Property, plant and equipment	16,371,172	17,546,711
Interest expense	23,625,102	21,831,551
Inventories written down	-	36,400
Deposits written off	124,617	-
Property, plant and equipment written off	381,496	78,946
Property development cost written off	210,009	-
Share-based payment	2,573,613	3,140,028
Fair value loss / (gain) on revaluation of financial assets at fair value through profit or loss	32,067	(25,554)
Share of losses / (profits) in associated companies	1,211,779	(2,365,638)
Unrealised (gain) / loss on foreign exchange	(2,276,457)	1,841,631
Dividend income from :		
- Available-for-sale financial assets	(1,478,101)	(720,386)
- Financial assets at fair value through profit or loss	(471,586)	(97,547)
(Gain) / Loss on disposal of :		
- Available-for-sale financial assets	(3,420,254)	(588,190)
- Financial assets at fair value through profit or loss	(36,730)	(333,757)
- Investment properties	(1,427,482)	-
- Property, plant and equipment	(286,796)	305,830
- Non-current assets classified as held for sale	(4,963,823)	-
Provision for staff economic compensation written back	(3,475,201)	-
Balance carried down	205,475,813	156,876,559

LBS BINA GROUP BERHAD
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	2016 RM	2015 RM
Balance brought down	205,475,813	156,876,559
Gain on remeasurement of previously held equity interest	(2,928,131)	-
Interest income	(10,052,298)	(5,108,038)
Interest income from financial assets measured at amortised cost	(1,490,070)	(12,234,392)
Reversal of allowance for impairment losses on receivable	(1,522)	(12,718)
Grant income	(21,665,128)	-
Waiver of debts	(7)	(14,300)
Operating profit before working capital changes	<u>169,338,657</u>	<u>139,507,111</u>
Changes in working capital		
Land and property development costs	(116,674,564)	(100,189,463)
Inventories	(110,687,600)	(66,421,061)
Amount owing by / to customers on contracts	6,087,685	4,146,785
Accrued / Progress billings in respect of land and property development costs	(209,537,756)	(96,982,135)
Trade receivables	(112,756,211)	(16,427,273)
Other receivables	157,827,544	24,932,287
Trade payables	234,907,116	77,276,886
Other payables	(58,466,803)	25,271,860
Foreign exchange reserve	1,979,787	123,197
	<u>(207,320,802)</u>	<u>(148,268,917)</u>
Cash used in operations	<u>(37,982,145)</u>	<u>(8,761,806)</u>
Dividends received	1,478,101	720,386
Interest received	10,052,298	5,108,038
Interest paid	(44,056,003)	(31,704,807)
Grant income received	20,424,317	-
Tax paid	(60,099,885)	(46,996,726)
Tax refund	1,212,276	997,333
	<u>(70,988,896)</u>	<u>(71,875,776)</u>
Net cash used in operating activities	<u>(108,971,041)</u>	<u>(80,637,582)</u>

LBS BINA GROUP BERHAD
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	Note	2016 RM	2015 RM
Cash Flows From Investing Activities			
Additional investment in :			
- Associated company		-	(773,608)
- Available-for-sale financial assets		-	(166,592)
- Subsidiary companies		(51,712,774)	(35,800,226)
- Financial assets at fair value through profit or loss		(44,000,000)	(128,200,000)
Capital work-in-progress incurred		(4,056,604)	(6,209,768)
Net cash (outflows) / inflows from acquisition of subsidiary companies	8(b)	(53,903,713)	451
Proceeds from disposal of :			
- Available-for-sale financial assets		33,570,254	44,782,439
- Financial assets at fair value through profit or loss		82,122,159	117,190,595
- Non-current assets classified as held for sale		17,050,000	-
- Promissory note		199,718,596	105,683,759
- Property, plant and equipment		1,000,410	754,483
Purchase of :			
- Investment properties		-	(317,045)
- Property, plant and equipment	4(e)	(8,080,121)	(6,840,482)
Deposits and consideration paid for the acquisition and joint venture of development lands		(134,945,689)	(145,799,618)
Repayment of prior year investment in subsidiary and associated companies		(4,167,780)	(8,886,000)
Net cash generated from / (used in) investing activities		<u>32,594,738</u>	<u>(64,581,612)</u>

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	2016	2015
	RM	RM
Cash Flows From Financing Activities		
(Increase) / decrease in fixed deposits pledged	(19,769,355)	22,217,635
Increase in cash and bank balances pledged	(764,684)	(398,607)
Drawdown of bank borrowings	351,813,173	247,794,135
Repayment of bank borrowings	(375,731,489)	(228,423,687)
Dividends paid	(66,917,460)	(49,562,724)
Dividends paid to non-controlling interests	(2,000,000)	(3,000,000)
Purchase of treasury shares	(24,185)	(10,900,389)
Proceeds from :		
- Exercise of ESOS	3,893,300	3,861,661
- Exercise of warrants	102,567,744	9,672,310
- Disposal of treasury shares	8,835,542	19,295,623
Repayment of :		
- Finance lease payables	(2,062,384)	(2,129,940)
- Islamic Securities	-	(10,000,000)
Net cash used in financing activities	<u>(159,798)</u>	<u>(1,573,983)</u>
Net decrease in cash and cash equivalents	(76,536,101)	(146,793,177)
Effects of exchange rate changes	1,972,492	33,363,908
Cash and cash equivalents at the beginning of the financial year	<u>154,359,794</u>	<u>267,789,063</u>
Cash and cash equivalents at the end of the financial year	<u>79,796,185</u>	<u>154,359,794</u>
Cash and cash equivalents at the end of the financial year comprise:		
Fixed deposits with licensed banks	49,079,352	33,471,075
Cash held under Housing Development Accounts	74,387,290	87,735,381
Cash and bank balances	107,332,047	106,385,800
Bank overdrafts	(100,901,943)	(43,665,940)
	<u>129,896,746</u>	<u>183,926,316</u>
Less: Fixed deposits pledged to licensed banks	(40,221,758)	(20,452,403)
Cash and bank balances pledged	(9,878,803)	(9,114,119)
	<u>79,796,185</u>	<u>154,359,794</u>

The accompanying notes form an integral part of the financial statements.

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016 RM	2015 RM
Cash Flows From Operating Activities		
Profit before taxation	78,881,632	57,068,880
Adjustments for:		
Allowance for impairment losses on investment in an associated company	-	3,578,431
Dividend income from financial assets at fair value through profit or loss	(122,938)	(40,141)
Interest expense	7,346,121	6,384,242
Share-based payment	2,573,613	3,140,028
Unrealised loss on foreign exchange	5,495,212	2,230,125
Reversal of allowance for impairment losses on investment in an associated companies	(4,072)	-
Fair value gain on revaluation of financial assets at fair value through profit or loss	-	(29,697)
Gain on disposal of financial assets at fair value through profit or loss	(27,602)	(104,141)
Gain on remeasurement of previously held equity interest	(5,602,897)	-
Interest income	(14,980,963)	(10,977,325)
Dividend income	(80,277,184)	(65,035,000)
Operating loss before working capital changes	<u>(6,719,078)</u>	<u>(3,784,598)</u>
Changes in working capital		
Other receivables	(222,518)	33,986,543
Other payables	1,284	85,293
Amount owing to / by subsidiary companies	(124,184,184)	(110,134,482)
	<u>(124,405,418)</u>	<u>(76,062,646)</u>
Cash used in operations	<u>(131,124,496)</u>	<u>(79,847,244)</u>
Dividends received	83,477,184	95,818,360
Interest received	14,980,963	10,977,325
Interest paid	(7,346,121)	(6,384,242)
Tax refund	-	155,374
Tax paid	(2,975,526)	(2,336,749)
	<u>88,136,500</u>	<u>98,230,068</u>
Net cash (used in) / generated from operating activities	<u>(42,987,996)</u>	<u>18,382,824</u>

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	2016 RM	2015 RM
Cash Flows From Investing Activities		
Additional investment in :		
- Financial assets at fair value through profit or loss	(7,000,000)	(29,000,000)
- An associated company	-	(763,458)
- An subsidiary company	(13,147,672)	-
Proceeds from disposal of financial assets at fair value through profit or loss	18,180,236	40,160,980
Net cash (used in) / generated from investing activities	<u>(1,967,436)</u>	<u>10,397,522</u>
Cash Flows From Financing Activities		
Dividends paid	(66,917,460)	(49,562,724)
(Increase) / decrease in fixed deposits pledged	(21,100,448)	1,450,227
Decrease / (increase) in cash and bank balances pledged	20,883	(176,515)
Drawdown of bank borrowings	9,390,117	15,000,000
Repayment of bank borrowings	(12,431,997)	(6,762,975)
Repayment of Islamic Securities	-	(10,000,000)
Proceeds from :		
- Exercise of ESOS	3,893,300	3,861,661
- Exercise of warrants	102,567,744	9,672,310
- Disposal of treasury shares	8,835,542	19,295,623
Purchase of treasury shares	(24,185)	(10,900,389)
Net cash generated from / (used in) financing activities	<u>24,233,496</u>	<u>(28,122,782)</u>

LBS BINA GROUP BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	2016 RM	2015 RM
Net (decrease) / increase in cash and cash equivalents	(20,721,936)	657,564
Effects of exchange rate changes	231,772	943,978
Cash and cash equivalents at beginning of the financial year	<u>713,006</u>	<u>(888,536)</u>
Cash and cash equivalents at end of the financial year	# <u>(19,777,158)</u>	<u>713,006</u>
Cash and cash equivalents at end of the financial year comprise:		
Fixed deposits with licensed banks	31,442,414	15,670,959
Cash and bank balances	23,577,418	4,739,917
Bank overdrafts	<u>(42,650,845)</u>	<u>(8,631,290)</u>
	12,368,987	11,779,586
Less: Fixed deposits pledged with licensed banks	(31,442,414)	(10,341,966)
Cash and bank balances pledged	<u>(703,731)</u>	<u>(724,614)</u>
	# <u>(19,777,158)</u>	<u>713,006</u>

Negative cash and cash equivalents was due to pledge of a fixed deposit to secure a bank overdraft. In February 2017, the bank overdraft was fully settled and the pledge of fixed deposit was subsequently discharged.

The accompanying notes form an integral part of the financial statements.