



LBS BINA GROUP BERHAD
(518482-H)
(Incorporated in Malaysia)

Interim Financial Report

30 September 2013

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LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
- For the financial period ended 30 September 2013

| | Note | Individual Quarter | | Cumulative Period | |
|--|------|--------------------|----------------|-------------------|----------------|
| | | Current Year | Preceding Year | Current Year | Preceding Year |
| | | Quarter | Quarter | To date | To date |
| | | 30.09.2013 | 30.09.2012 | 30.09.2013 | 30.09.2012 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Continuing operations | | | | | |
| Revenue | | 134,969 | 147,288 | 377,382 | 376,659 |
| Cost of sales | | (88,312) | (105,392) | (255,495) | (267,982) |
| Gross profit | | 46,657 | 41,896 | 121,887 | 108,677 |
| Interest Income | | 969 | 704 | 3,005 | 1,581 |
| Other income | | 337,560 | 1,928 | 340,552 | 3,998 |
| Operating expenses | | (23,021) | (19,737) | (55,717) | (43,593) |
| Finance costs | | (4,076) | (4,267) | (12,106) | (12,952) |
| Share of results of associates | | (6) | (4) | (11) | (101) |
| Profit before taxation | | 358,083 | 20,520 | 397,610 | 57,610 |
| Taxation | B5 | (10,411) | (8,372) | (24,319) | (20,746) |
| Profit from continuing operations | | 347,672 | 12,148 | 373,291 | 36,864 |
| Discontinued operations | | | | | |
| Profit /(Loss) from discontinued operations | | (502) | (1,103) | 3,287 | (3,645) |
| Profit for the financial period | | 347,170 | 11,045 | 376,578 | 33,219 |
| Profit attributable to: - | | | | | |
| Owners of the Parent | | 346,299 | 10,328 | 373,219 | 29,825 |
| Non-controlling interests | | 871 | 717 | 3,359 | 3,394 |
| | | 347,170 | 11,045 | 376,578 | 33,219 |
| Earnings per share for profit / (loss) attributable to Owners of the Parent | | | | | |
| Basic (sen) | B11 | | | | |
| - continuing operations | | 89.04 | 2.86 | 95.38 | 8.32 |
| - discontinued operations | | (0.09) | (0.17) | 0.49 | (0.56) |
| Total | | 88.95 | 2.69 | 95.87 | 7.76 |
| Diluted (sen) | B11 | | | | |
| - continuing operations | | 86.58 | 2.86 | 92.74 | 8.32 |
| - discontinued operations | | (0.08) | (0.17) | 0.48 | (0.56) |
| Total | | 86.50 | 2.69 | 93.22 | 7.76 |

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
- For the financial period ended 30 September 2013 (cont'd)

| | Individual Quarter | | Cumulative Period | |
|---|---|---|---|---|
| | Current Year Quarter 30.09.2013 RM'000 | Preceding Year Quarter 30.09.2012 RM'000 | Current Year To date 30.09.2013 RM'000 | Preceding Year To date 30.09.2012 RM'000 |
| Profit for the financial period | 347,170 | 11,045 | 376,578 | 33,219 |
| Other comprehensive income, net of tax: | | | | |
| Foreign currency translation difference | (386) | (10,422) | 14,046 | (7,744) |
| Total comprehensive income for the financial period | <u>346,784</u> | <u>623</u> | <u>390,624</u> | <u>25,475</u> |
| Total comprehensive income attributable to: | | | | |
| Owners of the Parent | 343,735 | 2,413 | 380,760 | 23,834 |
| Non-controlling interests | 3,049 | (1,790) | 9,864 | 1,641 |
| | <u>346,784</u> | <u>623</u> | <u>390,624</u> | <u>25,475</u> |

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

- As at 30 September 2013

| | Note | 30.09.2013 (Unaudited) RM'000 | 31.12.2012 (Audited) RM'000 |
|--|------|-------------------------------------|-----------------------------------|
| <u>ASSETS</u> | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | A10 | 17,792 | 15,333 |
| Capital work-in-progress | | 2,287 | 1,746 |
| Investment properties | | 6,989 | 6,441 |
| Land and property development costs | | 481,280 | 337,686 |
| Investment in associated companies | | 3,008 | 2,702 |
| Trade and other receivables | | 39,891 | 38,667 |
| Promissory notes | | 318,159 | - |
| Other investments | | 149,184 | 1,254 |
| Goodwill on consolidation | | 95,284 | 103,237 |
| Deferred tax assets | | 1,424 | 113 |
| | | 1,115,298 | 507,179 |
| Current Assets | | | |
| Inventories | | 13,552 | 13,594 |
| Land and property development costs | | 119,862 | 69,429 |
| Accrued billing in respect of property development costs | | 76,659 | 110,493 |
| Trade and other receivables | | 147,880 | 180,730 |
| Tax recoverable | | 4,550 | 4,533 |
| Fixed deposits with licensed banks | | 121,006 | 40,203 |
| Cash held under Housing Development Accounts | | 57,312 | 36,936 |
| Cash and bank balances | | 72,603 | 19,958 |
| | | 613,424 | 475,876 |
| Non-current assets classified as held for sale | | 1,466 | 4,679 |
| Assets of disposal group classified as held for sale | | - | 447,274 |
| | | 614,890 | 927,829 |
| TOTAL ASSETS | | 1,730,188 | 1,435,008 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| Equity attributable to Owners of the Parent | | | |
| Share capital | | 468,556 | 386,553 |
| Reserves | | 431,754 | 62,959 |
| Treasury shares, at cost | | (12,557) | (4,407) |
| | | 887,753 | 445,105 |
| Non-controlling Interests | | 17,879 | 81,726 |
| Total Equity | | 905,632 | 526,831 |

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
- As at 30 September 2013 (cont'd)

| | Note | 30.09.2013 (Unaudited) RM'000 | 31.12.2012 (Audited) RM'000 |
|---|------|-------------------------------------|-----------------------------------|
| Non-Current Liabilities | | | |
| Trade and other payables | | 213,358 | 86,964 |
| Finance lease payables | B8 | 2,696 | 2,293 |
| Bank borrowings | B8 | 191,954 | 223,085 |
| Islamic Securities | B8 | 30,000 | 75,000 |
| Deferred tax liabilities | | 319 | 114 |
| | | 438,327 | 387,456 |
| Current Liabilities | | | |
| Progress billing in respect of property development costs | | 43,879 | 37,873 |
| Trade and other payables | | 260,133 | 239,886 |
| Finance lease payables | B8 | 1,051 | 963 |
| Bank overdrafts | B8 | 9,681 | 28,587 |
| Bank borrowings | B8 | 52,373 | 99,399 |
| Tax payable | | 19,112 | 36,368 |
| | | 386,229 | 443,076 |
| Liabilities of disposal group classified as held for sale | | - | 77,645 |
| | | 386,229 | 520,721 |
| Total Liabilities | | 824,556 | 908,177 |
| TOTAL EQUITY AND LIABILITIES | | 1,730,188 | 1,435,008 |
| Net Assets per share attributable to Owners of the Parent (RM) | | 1.94 | 1.16 |

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

~ For the financial period ended 30 September 2013

| | ←----- Attributable to Owners of the Parent -----> | | | | | | | | <-Distributable-> | | Non-controlling Interests RM'000 | Total Equity RM'000 |
|--|--|---------------------------|-------------------------|------------------------|------------------------------------|-------------------------------|---------------------------|-------------------------|----------------------------|---------------------|-------------------------------------|------------------------|
| | <----- Non-distributable -----> | | | | | | | | | | | |
| | Share Capital RM'000 | Treasury Shares RM'000 | Share Premium RM'000 | ESOS Reserve RM'000 | Foreign Exchange Reserve RM'000 | Revaluation Reserve RM'000 | Warrant Reserve RM'000 | Other Reserve RM'000 | Retained Profits RM'000 | Sub-total RM'000 | | |
| Balance as at 1.1.2013 | 386,553 | (4,407) | 16,945 | 3,259 | 10,271 | 311 | 14,952 | (50,074) | 67,295 | 445,105 | 81,726 | 526,831 |
| Amount recognised directly in equity: | | | | | | | | | | | | |
| Profit for the financial period | - | - | - | - | - | - | - | - | 373,219 | 373,219 | 3,359 | 376,578 |
| Foreign currency translation | - | - | - | - | 7,541 | - | - | - | - | 7,541 | 6,505 | 14,046 |
| Total comprehensive income for the financial period | - | - | - | - | 7,541 | - | - | - | 373,219 | 380,760 | 9,864 | 390,624 |
| Transactions with owners: | | | | | | | | | | | | |
| Realisation of subsidiary's reserve | - | - | - | - | - | (57) | - | - | 57 | - | - | - |
| Issuance of ordinary shares: | | | | | | | | | | | | |
| - Exercise of Warrants | 50,770 | - | 5,077 | - | - | - | (5,077) | - | - | 50,770 | - | 50,770 |
| - Exercise of ESOS | 31,233 | - | 374 | - | - | - | - | - | - | 31,607 | - | 31,607 |
| Change in ownership interest in subsidiaries | - | - | - | - | - | - | - | (7,566) | - | (7,566) | - | (7,566) |
| Acquisition / disposal of interest for non-controlling interests | - | - | - | - | - | - | - | - | - | - | (72,241) | (72,241) |
| Dividend paid | - | - | - | - | - | - | - | - | (7,732) | (7,732) | - | (7,732) |
| Dividend paid to non-controlling interests | - | - | - | - | - | - | - | - | - | - | (1,470) | (1,470) |
| Fair value adjustment | - | - | - | - | - | - | - | (948) | - | (948) | - | (948) |
| Share-based payment | - | - | - | 3,030 | - | - | - | - | - | 3,030 | - | 3,030 |
| Own shares acquired | - | (10,016) | - | - | - | - | - | - | - | (10,016) | - | (10,016) |
| Disposal of treasury shares | - | 1,866 | 877 | - | - | - | - | - | - | 2,743 | - | 2,743 |
| Total transactions with owners | 82,003 | (8,150) | 6,328 | 3,030 | - | (57) | (5,077) | (8,514) | (7,675) | 61,888 | (73,711) | (11,823) |
| Balance as at 30.09.2013 | 468,556 | (12,557) | 23,273 | 6,289 | 17,812 | 254 | 9,875 | (58,588) | 432,839 | 887,753 | 17,879 | 905,632 |

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

~ For the financial period ended 30 September 2013 (cont'd)

| | ← Attributable to Owners of the Parent → | | | | | | | | | <-Distributable-> | Non-controlling Interests | Total Equity |
|---|--|-----------------|---------------|--------------|--------------------------|---------------------|-----------------|---------------|------------------|-------------------|---------------------------|--------------|
| | <----- Non-distributable -----> | | | | | | | | | | | |
| | Share Capital | Treasury Shares | Share Premium | ESOS Reserve | Foreign Exchange Reserve | Revaluation Reserve | Warrant Reserve | Other Reserve | Retained Profits | Sub-total | RM'000 | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at 1.1.2012 | 386,553 | - | 16,945 | 561 | 16,016 | 363 | 14,952 | (49,453) | 36,599 | 422,536 | 84,014 | 506,550 |
| Amount recognised directly in equity: | | | | | | | | | | | | |
| Profit for the financial period | - | - | - | - | - | - | - | - | 29,825 | 29,825 | 3,394 | 33,219 |
| Foreign currency translation | - | - | - | - | (6,064) | - | - | - | - | (6,064) | (1,680) | (7,744) |
| Dilution on investment in subsidiary | - | - | - | - | - | - | - | - | 73 | 73 | (73) | - |
| Total comprehensive income for the financial period | - | - | - | - | (6,064) | - | - | - | 29,898 | 23,834 | 1,641 | 25,475 |
| Transactions with owners: | | | | | | | | | | | | |
| Realisation of subsidiary company's reserve | - | - | - | - | - | (40) | - | - | 40 | - | - | - |
| Realisation of ESOS's reserve | - | - | - | (561) | - | - | - | - | 561 | - | - | - |
| Change in ownership interest in a subsidiary | - | - | - | - | - | - | - | 10 | - | 10 | - | 10 |
| Dividend paid / payable | - | - | - | - | - | - | - | - | (7,148) | (7,148) | - | (7,148) |
| Share-based payment | - | - | - | 2,736 | - | - | - | - | - | 2,736 | - | 2,736 |
| Share buy-back | - | (4,398) | - | - | - | - | - | - | - | (4,398) | - | (4,398) |
| Dividends paid to non-controlling interests | - | - | - | - | - | - | - | - | - | - | (1,470) | (1,470) |
| Acquisition of additional interest from non-controlling interests | - | - | - | - | - | - | - | - | - | - | (260) | (260) |
| Total transactions with owners | - | (4,398) | - | 2,175 | - | (40) | - | 10 | (6,547) | (8,800) | (1,730) | (10,530) |
| Balance as at 30.09.2012 | 386,553 | (4,398) | 16,945 | 2,736 | 9,952 | 323 | 14,952 | (49,443) | 59,950 | 437,570 | 83,925 | 521,495 |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)****- For the financial period ended 30 September 2013**

| | Current Period Ended 30.09.2013 RM'000 | Preceding Period Ended 30.09.2012 RM'000 |
|--|---|---|
| Profit / (loss) before taxation | | |
| - continuing operations | 397,610 | 57,608 |
| - discontinued operations | 3,249 | (4,495) |
| Adjustments for :- | | |
| Non-cash items | (321,958) | 18,872 |
| Other operating items | 9,074 | 11,403 |
| Operating profit before changes in working capital | <u>87,975</u> | <u>83,388</u> |
| Changes in land and property development costs | (186,721) | 3,319 |
| Changes in inventories | (59) | 3,241 |
| Changes in amount owing by/ to contract customers | 1,666 | (837) |
| Changes in receivables | 17,256 | (32,616) |
| Changes in payables | 129,413 | 26,638 |
| Changes in accrued / progress billing in respect of property development costs | 39,840 | 30,978 |
| Changes in foreign exchange reserve | 5,883 | (2,672) |
| Cash generated from operations | <u>95,253</u> | <u>111,439</u> |
| Interest received | 3,043 | 1,649 |
| Interest paid | (22,885) | (24,324) |
| Tax paid | (44,081) | (26,818) |
| Tax refund | 1,319 | 147 |
| Net cash generated from operating activities | <u>32,649</u> | <u>62,093</u> |
| Investing Activities | | |
| Purchase of property, plant and equipment | (3,404) | (4,440) |
| Purchase of investment property | (663) | (1,325) |
| Proceeds from disposal of property, plant and equipment | 237 | 599 |
| Proceeds from disposal of non-current asset held for sale | 4,580 | - |
| Net cash outflow from acquire of subsidiary companies | (48) | - |
| Net cash inflow from disposal of subsidiary companies | 190,277 | - |
| Investment in associated and subsidiary companies | - | (130) |
| Repayment of prior year investment in associated and subsidiary companies | (13,582) | (19,483) |
| Capital work-in-progress incurred | (575) | (8,237) |
| Net cash generated / (used in) from investing activities | <u>176,822</u> | <u>(33,016)</u> |
| Financing Activities | | |
| Decrease / (increase) in fixed deposit pledged | 30,306 | (29,989) |
| (Increase) / decrease in cash and bank balances pledged | (2,711) | 5,956 |
| Drawdown of bank borrowings | 172,680 | 136,083 |
| Repayment of bank borrowings | (251,638) | (134,123) |
| Repayment of Islamic Securities | (45,000) | (20,000) |
| Repayment of hire purchase payables | (489) | (866) |
| Purchase of treasury shares | (10,016) | (4,398) |
| Dividend paid | (7,732) | (7,148) |
| Dividend paid to non-controlling interest | (1,470) | (1,470) |
| Proceeds from issuance of shares | 82,003 | - |
| Proceeds from disposal of treasury shares | 2,745 | - |
| Proceeds from exercise of ESOS | 373 | - |
| Net cash used in financing activities | <u>(30,949)</u> | <u>(55,955)</u> |

LBS BINA GROUP BERHAD (518482-H)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**
- For the financial period ended 30 June 2013 (cont'd)

| | Current Period Ended 30.06.2013 RM'000 | Preceding Period Ended 30.09.2012 RM'000 |
|---|---|---|
| Net increase / (decrease) in cash and cash equivalents | 178,522 | (26,878) |
| Cash and cash equivalents at the beginning of financial period | 45,901 | 55,182 |
| Effect of exchange rate changes | 1,324 | (894) |
| Cash and cash equivalents at the end of financial period | <u>225,747</u> | <u>27,410</u> |
| Cash and cash equivalents comprise:- | | |
| Continuing operations | | |
| Deposits with licensed banks | 121,006 | 58,523 |
| Cash held under Housing Development Accounts | 57,312 | 28,057 |
| Cash and bank balances | 72,603 | 15,615 |
| Bank overdrafts | (9,681) | (34,675) |
| | <u>241,240</u> | <u>67,520</u> |
| Less : Fixed deposits pledged with licensed banks | (10,274) | (58,523) |
| Cash and bank balances pledged | (5,219) | (1,949) |
| | <u>225,747</u> | <u>7,048</u> |
| Discontinued operations | | |
| Deposits with licensed banks | - | 354 |
| Cash and bank balances | - | 20,362 |
| | <u>-</u> | <u>20,716</u> |
| Less : Fixed deposits pledged with licensed banks | - | (354) |
| | <u>-</u> | <u>20,362</u> |
| | <u>225,747</u> | <u>27,410</u> |

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT (UNAUDITED)

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

A2. Changes in accounting policiesBasis of accounting

The financial statements of the Group and of the Company have been prepared on the historical cost convention except as disclosed in the notes to the financial statements and in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

During the financial year, the Group and the Company have adopted the following new Financial Reporting Standards ("FRSs"), Issues Committee ("IC") Interpretations and Amendments to FRSs and IC Interpretations which are effective and mandatory for the current financial year:-

| | |
|---|---|
| FRS 10 | Consolidated Financial Statements |
| FRS 11 | Joint Arrangements |
| FRS 12 | Disclosure of Interests in Other Entities |
| FRS 13 | Fair Value Measurement |
| FRS 119 (2011) | Employee Benefits |
| FRS 127 (2011) | Separate Financial Statements |
| FRS 128 (2011) | Investments in Associates and Joint Ventures |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine |
| Amendments to FRS 1 | Government Loans |
| Amendments to FRS 7 | Disclosures – Offsetting Financial Assets and Financial Liabilities |
| Amendments to FRS 10, FRS 11 and FRS 12 | Consolidated Financial Statements, Joint Arrangement and Disclosure of Interests in Other Entities: Transition Guidance |

The Group and the Company have not early adopted the following FRSs, revised FRSs, IC Interpretations and Amendments to FRSs, which have been issued as at the date of authorisation of these financial statements and will be effective for the financial periods as stated below:

| | | <u>Effective date for financial periods beginning on or after</u> |
|----------------------------------|--|---|
| Amendments to FRS 132 | Offsetting Financial Assets and Financial Liabilities | 1 January 2014 |
| Amendments to FRS 10, 12 and 127 | Investment Entities | 1 January 2014 |
| FRS 9 (IFRS 9 (2009)) | Financial Instruments (IFRS 9 issued by IASB in November 2009) | 1 January 2015 |
| FRS 9 (IFRS 9 (2010)) | Financial Instruments (IFRS 9 issued by IASB in October 2010) | 1 January 2015 |

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A2. Changes in accounting policies (cont'd)

| | | Effective date for financial periods beginning on or after |
|-----------------------|--|--|
| Amendments to FRS 136 | Recoverable Amount Disclosures for Non-Financial Assets | 1 January 2014 |
| Amendments to FRS 139 | Novation of Derivatives and Continuation of Hedge Accounting | 1 January 2014 |
| IC Interpretation 21 | Levies | 1 January 2014 |

The above FRSs, revised FRSs, IC Interpretations and Amendments to FRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and the initial applications of these FRSs, Amendments to FRSs and IC Interpretations will have no significant impact on the financial statements of the Company.

New Malaysian Financial Reporting Standards ("MFRS Framework")

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture ("MFRS 141") and IC Interpretation 15 Agreements for Construction of Real Estate ("IC Interpretation 15"), including its parent, significant investor and venturer (hereinafter called "Transitioning Entities").

On 30 June 2012, the MASB announced that the mandatory effective date for adoption of the new MFRS by the Transitioning Entities deferred from 1 January 2013 to 1 January 2014.

On 7 August 2013, the MASB announced that the mandatory effective date for adoption of the new MFRS by the Transitioning Entities further deferred from 1 January 2014 to 1 January 2015.

The Group is subject to the application of IC Interpretation 15, therefore falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015. In presenting the Group's first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group is currently assessing the implications and financial impact of transition to the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the period ended 30 September 2013 could be different if prepared under the MFRS Framework.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 was not subject to any qualification.

A4. Seasonal or cyclical factors

The operations of the Group during the quarter under review were not materially affected by any significant seasonal or cyclical factors.

A5. Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows during the quarter under review.

LBS BINA GROUP BERHAD (518482-H)

A6. Material changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods or prior year that have a material effect in the current quarter's results.

A7. Debt and equity securities

There were no issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the current financial period-to-date, save and except as follows:-

- (i) Issuance of shares pursuant to the Company's Employee Share Option Scheme ("ESOS")
The Company has issued and allotted 26,850,050 and 4,254,450 and 128,900 ordinary shares of RM1.00 each for cash at RM1.00, RM1.081 and RM1.218 per share respectively arising from the exercise of options granted under the ESOS.
- (ii) Issuance of shares pursuant to the exercise of warrants
A total of 50,770,000 warrants were exercised and converted into ordinary shares of RM1.00 each which resulted in 50,770,000 ordinary shares of RM1.00 each being issued and allotted.
- (iii) Share buyback by the Company
The Company repurchased 7,510,300 of its issued shares from the open market for a total consideration of RM10,015,975 and held as Treasury Shares. Subsequently, the Company resold 2,170,000 of its Treasury Shares at the open market for a total consideration of RM2,744,710.

A8. Dividend paid

During the financial quarter under review, a first and final gross dividend of 2.5 sen per ordinary share of RM1.00 each, less 25% income tax for the year ended 31 December 2012 was paid on 27 September 2013.

A9. Segment information

9 months ended 30 September 2013

| | Property Development RM'000 | Construction RM'000 | Management, Investment & Others RM'000 | Elimination RM'000 | Total Continuing Operations RM'000 | Discontinued Operations RM'000 | Consolidated RM'000 |
|--|-----------------------------------|------------------------|---|-----------------------|---|--------------------------------------|------------------------|
| REVENUE | | | | | | | |
| External revenue | 370,940 | - | 6,442 | - | 377,382 | 14,776 | 392,158 |
| Inter-segment | - | 140,974 | 75,200 | (216,174) | - | - | - |
| Total Revenue | 370,940 | 140,974 | 81,642 | (216,174) | 377,382 | 14,776 | 392,158 |
| RESULTS | | | | | | | |
| Segment results | 75,360 | (72) | 331,434 | - | 406,722 | 3,211 | 409,933 |
| Interest income | 2,096 | - | 909 | - | 3,005 | 38 | 3,043 |
| Finance costs | (7,682) | - | (4,424) | - | (12,106) | - | (12,106) |
| Share of results of associates | - | - | (11) | - | (11) | - | (11) |
| Profit / (loss) before taxation | 69,774 | (72) | 327,908 | - | 397,610 | 3,249 | 400,859 |
| Taxation | (25,015) | (24) | 720 | - | (24,319) | 38 | (24,281) |
| Profit/ (loss) for the financial period | 44,759 | (96) | 328,628 | - | 373,291 | 3,287 | 376,578 |

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A9. Segment information (cont'd)

9 months ended 30 September 2013(cont'd)

| | Property Development RM'000 | Construction RM'000 | Management, Investment & Others RM'000 | Elimination RM'000 | Total Continuing Operations RM'000 | Discontinued Operations RM'000 | Consolidated RM'000 |
|--|-----------------------------------|------------------------|---|-----------------------|---|--------------------------------------|------------------------|
| Assets | | | | | | | |
| Additional to non-current assets | 171,285 | 1,330 | 466,089 | - | 638,704 | - | 638,704 |
| Segment assets | 1,067,528 | 25,273 | 637,387 | - | 1,730,188 | - | 1,730,188 |
| Other non-cash expenses | | | | | | | |
| Depreciation | 2,056 | 10 | 33 | - | 2,099 | - | 2,099 |
| Property, plant and equipment written off | 20 | - | - | - | - | - | 20 |
| Unrealised gain on foreign exchange | - | - | 73 | - | 73 | - | 73 |
| Impairment of goodwill on consolidation | 8,300 | - | - | - | 8,300 | - | 8,300 |
| Share based payment | - | - | 3,030 | - | 3,030 | - | 3,030 |
| Other non-cash income | | | | | | | |
| Unrealised gain on foreign exchange | - | - | - | - | - | (174) | (174) |
| Gain on disposal of property, plant and equipment | (70) | - | - | - | (70) | (8) | (78) |
| Gain on disposal of subsidiaries company | (271) | - | (336,120) | - | (336,120) | - | (336,391) |
| Gain on disposal of non-current assets classified as held for sale | - | (80) | - | - | (80) | - | (80) |
| Fair value adjustment on non-current liabilities | (1,334) | - | - | - | (1,334) | - | (1,334) |

9 months ended 30 September 2012

| | Property Development RM'000 | Construction RM'000 | Management , Investment & Others RM'000 | Elimination RM'000 | Total Continuing Operation RM'000 | Discontinued Operation RM'000 | Consolidated RM'000 |
|---|-----------------------------------|------------------------|--|-----------------------|--|-------------------------------------|------------------------|
| REVENUE | | | | | | | |
| External revenue | 370,920 | 2,628 | 3,111 | - | 376,659 | 15,671 | 392,330 |
| Inter-segment | - | 160,048 | 49,541 | (209,589) | - | - | - |
| Total Revenue | 370,920 | 162,676 | 52,652 | (209,589) | 376,659 | 15,671 | 392,330 |
| RESULTS | | | | | | | |
| Segment results | 73,651 | (54) | (4,517) | - | 69,080 | (4,564) | 64,516 |
| Interest income | 873 | 23 | 686 | - | 1,582 | 67 | 1,649 |
| Finance costs | (7,621) | (22) | (5,308) | - | (12,951) | - | (12,951) |
| Share of results of associates | - | - | (101) | - | (101) | - | (101) |
| Profit / (loss) before taxation | 66,903 | (53) | (9,240) | - | 57,610 | (4,497) | 53,113 |
| Taxation | (21,365) | (139) | 758 | - | (20,746) | 852 | (19,894) |
| Profit/ (loss) for the financial period | 45,538 | (192) | (8,482) | - | 36,864 | (3,645) | 33,219 |
| Assets | | | | | | | |
| Additional to non-current assets | 28,628 | 6,279 | - | - | 34,907 | 6,711 | 41,618 |
| Segment assets | 1,060,620 | 19,591 | 188,483 | - | 1,268,694 | 188,081 | 1,456,775 |

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A9. Segment information (cont'd)

9 months ended 30 September 2012(cont'd)

| | Property Development RM'000 | Construction RM'000 | Management , Investment & Others RM'000 | Elimination RM'000 | Total Continuing Operation RM'000 | Discontinued Operation RM'000 | Consolidated RM'000 |
|--|-----------------------------------|------------------------|--|-----------------------|--|-------------------------------------|------------------------|
| Other non-cash expenses | | | | | | | |
| Depreciation | 2,195 | 52 | 15 | - | 2,262 | 8,553 | 10,815 |
| Property, plant and equipment written off | 3 | 2 | 1 | - | 6 | 69 | 75 |
| Bad debts written off | 23 | - | 71 | - | 94 | 50 | 144 |
| Impairment on receivables | - | - | 40 | - | 40 | - | 40 |
| Impairment on goodwill in subsidiary company | 5,659 | - | - | - | 5,659 | - | 5,659 |
| Loss on disposal of property, plant and equipment | 14 | - | - | - | 14 | - | 14 |
| Loss on unrealised foreign exchange | - | - | 14 | - | 14 | 226 | 240 |
| Impairment on foreseeable loss on construction contract | - | 10 | - | - | 10 | - | 10 |
| Share-based payment | - | - | 2,736 | - | 2,736 | - | 2,736 |
| Other non-cash income | | | | | | | |
| Gain on unrealised foreign exchange | - | - | - | - | - | (411) | (411) |
| Gain on disposal of property, plant and equipment | (202) | (57) | - | - | (259) | (8) | (267) |
| Reversal of impairment on receivables | (271) | - | - | - | (217) | - | (271) |
| Waiver of debts | - | - | - | - | - | (403) | (403) |

A10. Valuation of property, plant and equipment

There was no fair value adjustment to the property, plant and equipment since the last annual audited financial statements.

A11. Changes in the composition of the Group

- (i) On 1 July 2013, a total of 8,087,050 Shares Options under Employee Share Option Scheme ("ESOS") were granted at the subscription price of RM1.081 to the eligible employees under the Second Grant of the ESOS.
- (ii) On 22 July 2013, LBS Bina Holdings Sdn Bhd ("LBS") has subscribed Three Hundred Thousand (300,000) ordinary shares of RM1.00 each in Setara Armada Sdn Bhd ("SASB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Three Hundred Thousand (RM300,000.00) only. Consequently, SASB became a 30% associated company of LBS.
- (iii) On 1 August 2013, a total of 453,700 Shares Options under ESOS were granted at the subscription price of RM1.218 to the eligible employees under the Third Grant of the ESOS.
- (iv) On 12 August 2013, all conditions precedent and conditions for completion applicable in respect of the sale and purchase agreement dated 10 April 2013 ("SPA") for the disposal of entire issued and paid-up share capital of Lamdeal Consolidated Development Limited ("Lamdeal Development") and Lamdeal Golf & Country Club Limited ("Lamdeal Golf") by Dragon Hill Corporation Limited, an indirect wholly-owned subsidiary of the Company for an aggregate sale consideration of HKD1,650.00 million have been fulfilled and obtained or waived in accordance with the terms and conditions of the SPA. Consequently, Lamdeal Development and Lamdeal Golf together with its subsidiaries have ceased to be subsidiaries of the Group.

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A11. Changes in the composition of the Group (*Cont'd*)

- (v) On 21 August 2013, LBS has subscribed Six (6) ordinary shares of RM1.00 each in Koleksi Sigma Sdn Bhd ("KSSB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Six (RM6.00) only. Consequently, KSSB became a 60% subsidiary of LBS.
- (vi) On 22 August 2013, KSSB, a 60% subsidiary company of LBS has increased its issued and paid up share capital from 10 to 100,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional of 59,994 ordinary shares of RM1.00 each in KSSB by way of cash. KSSB remained as 60% subsidiary of LBS.
- (vii) On 27 August 2013, Kalimah Jaya Sdn Bhd ("KJSB"), a wholly owned subsidiary of LBS has acquired Ninety-Five Thousand (95,000) ordinary shares of RM1.00 each in Utuh Sejagat Sdn Bhd ("USSB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Ten Million Six Hundred Forty Thousand (RM10,640,000.00). Consequently, KJSB became a wholly-owned subsidiary of USSB.
- (viii) On 27 August 2013, Utuh Sejagat Sdn Bhd ("USSB"), a wholly-owned subsidiary of KJSB has increased its issued and paid up share capital from 500,000 to 6,500,000 ordinary shares of RM1.00 each. KJSB has subscribed all its shareholding in KJSB by way of cash.
- (ix) On 1 September 2013, LBS has acquired additional Thirty Thousand (30,000) ordinary share of RM1.00 each in Intelstyle Sdn Bhd ("ISB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia One Million and Eight Hundred Thousand (RM1,800,000.00) only. Consequently, ISB became a wholly-owned subsidiary of LBS.
- (x) On 1 September 2013, a total of 275,250 Shares Options under ESOS were granted at the subscription price of RM1.455 to the eligible employees under the Fourth Grant of the ESOS.
- (xii) On 4 September 2013, Wirama Era Baru Sdn Bhd ("WEBSB"), a 51% subsidiary of the LBS has increased its issued and paid up share capital from 250,000 to 500,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional of 127,500 ordinary shares of RM1.00 each in WEBSB by way of cash. WEBSB remained as 51% subsidiary company of LBS.
- (xiii) On 11 September 2013, LBS has acquired additional Twenty Thousand (20,000) ordinary shares of RM1.00 each in Pembangunan Primer Sdn Bhd ("PPSB"), a company incorporated in Malaysia for a total consideration of Ringgit Malaysia One (RM1.00) only. Consequently, LBS's shareholding in PPSB has increased from 51% to 55%.
- (xiii) On 23 September 2013, LBS has acquired additional Ten (10) ordinary shares of RM1.00 each in Dataran Enigma Sdn Bhd ("DESB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Two Million (RM2,000,000) only. Consequently, LBS's shareholdings in DESB has increased from 51% to 61%.
- (xiv) On 23 September 2013, Dragon Hill Corporation Limited ("DHCL"), a wholly-owned subsidiary of the Intellplace Holdings Limited ("IHL") which in turn a wholly-owned subsidiary of LBS Bina Group Berhad, has increased its issued and paid up share capital from HKD15,000,000 to HKD50,000,000 ordinary shares of HKD1.00 each by the creation of additional 35,000,000 ordinary shares of HKD1.00 each. IHL has subscribed all its shareholding in DHCL by way of capitalization.

Other than the above, there were no changes in the composition of the Group during the quarter under review.

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A12. Material subsequent events

- (i) On 1 October 2013, a total of 405,300 Shares Options under ESOS were granted at the subscription price of RM1.693 to the eligible employees under the Fifth Grant of the ESOS.
- (ii) On 2 October 2013, DHCL has exercised its option to acquired Two Million Two Hundred Thousand (2,200,000) ordinary shares of HKD1.00 each in Lamdeal Investment Limited ("LIL"), a company incorporated in Hong Kong for a total cash consideration of USD One (USD1.00) only. Consequently, LIL became a wholly-owned subsidiary of DHCL and accordingly LIL's subsidiaries became subsidiaries of DHCL.
- (iii) On 1 November 2013, a total of 194,500 Shares Options under ESOS were granted at the subscription price of RM1.609 to the eligible employees under the Sixth Grant of the ESOS.

Other than above, there were no material subsequent events as at 20 November 2013, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 30 September 2013 are as follows:

| | Amount RM'000 |
|---|--------------------------|
| Approved and contracted for | |
| - Cost Sharing Agreement | 10,210 |
| - Joint Venture Agreements for property development | 89,338 |
| - Acquisition of property, plant and equipment | 270 |
| | <u>99,818</u> |

A14. Changes in contingent assets or contingent liabilities

| | 30.09.2013 RM'000 | 30.09.2012 RM'000 |
|--|------------------------------|------------------------------|
| Bank guarantee issued for property development | <u>13,994</u> | <u>11,323</u> |

There were no contingent assets as at the date of this interim financial report.

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A15. Related party transactions

The related party transactions for the current financial period were summarised as below:-

| Related Parties | Amount RM'000 |
|---|--------------------------|
| Contractor fees | 8,120 |
| Sale of properties | 7,722 |
| Provision of services as advocates and solicitors | 336 |
| Rental expenses | 98 |
| Rendering of services | 46 |
| Rental income | 5 |
| Equity Investment | 3,853 |

The nature and relationship between the Group and the related parties are as follows:-

- (i) A firm or companies in which a close family member of certain Directors of the Company or a subsidiary company have financial interest;
- (ii) A firm or companies in which certain Directors of the Company or its subsidiaries have financial interest;
- (iii) A person who has financial interest in a subsidiary company; and
- (iv) Directors and key management personnel of the Company or its subsidiaries and their close family members.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of performance

Continuing operations

For the current quarter under review, the Group recorded revenue and profit before tax ("PBT") of approximately RM135 million and RM358 million respectively. These represent 8% decrease in revenue and 1,645% increase in PBT over the result achieved in the corresponding quarter in the year 2012.

For the 9 months ended 30 September 2013, the Group recorded revenue and PBT of approximately RM377 million and RM398 million respectively. These represent a 0.2% increase in revenue and 590% increase in PBT over the result recorded in the corresponding period in the year 2012.

The improved PBT for the current quarter and 9 months ended 30 September 2013 was mainly due to the gain arising from the disposal of subsidiaries and profit contribution from the on-going projects such as Pearl Villa, Royal Ivory, Royal Ivory 2, Royal Garden, BSP Skypark, I Hub Puchong in Bandar Saujana Putra, D' Island Residence and The Lake Residence in Puchong, Brinchang Square, The Vines and SomerSquare in Cameron Highlands and Min Garden in Batu Pahat.

Discontinued operations

For the current quarter under review, the Group recorded loss after tax ("LAT") of approximately RM0.5 million as compared to the LAT of approximately RM1.1 million in the corresponding quarter in the year 2012.

For the 9 months ended 30 September 2013, the Group recorded profit after tax ("PAT") of approximately RM3.3 million as compared to the LAT of approximately RM3.6 million in the corresponding period in the year 2012.

The improvement was mainly due to non-provision of depreciation and amortization in accordance with Financial Reporting Standard 5.

There was no further detailed analysis of performance for other segments, as the Group is mainly involved in property development.

B2. Material change in quarterly results compared with the immediate preceding quarter

Continuing operations

For the current quarter under review, the Group's revenue and PBT were approximately RM135 million and RM358 million respectively as compared to the revenue and PBT of approximately RM134 million and RM23 million respectively in the immediate preceding quarter.

The improved PBT was mainly attributable to the gain arising from the disposal of subsidiaries and profit contribution from the on-going projects.

Discontinued operations

For the current quarter under review, the Group's LAT was approximately RM0.5 million as compared to the PAT of approximately RM0.8 million in the immediate preceding quarter.

The decrease was mainly due to lower golf membership sales.

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B3. Prospects for the current financial year

With the Group's 18 ongoing projects and unbilled sales of approximately RM732 million as at 31 October 2013, the Group is confident of achieving further improvement in its performance for the financial year ending 31 December 2013.

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee to the public.

B5. Taxation

The breakdown of tax charges were as follows:-

| | Individual Quarter | | Cumulative Period | |
|---------------------------------|---|---|---|---|
| | Current year Quarter 30.09.2013 RM'000 | Preceding year Quarter 30.09.2012 RM'000 | Current year To date 30.09.2013 RM'000 | Preceding year To date 30.09.2012 RM'000 |
| <u>Continuing operations:</u> | | | | |
| Current year's provision | 9,902 | 10,665 | 24,913 | 25,663 |
| Under provision | 511 | (1,566) | 512 | (1,563) |
| Deferred taxation | (2) | (727) | (1,106) | (3,354) |
| Total tax expense | 10,411 | 8,372 | 24,319 | 20,746 |
| <u>Discontinued operations:</u> | | | | |
| Current year's provision | - | 6 | 2 | 18 |
| Over provision | - | - | (24) | - |
| Deferred taxation | (32) | (288) | (16) | (870) |
| Total tax credit | (32) | (282) | (38) | (852) |
| Total | 10,379 | 8,090 | 24,281 | 19,894 |

The effective tax rate of the Group for the current quarter and financial period to date were lower than the statutory tax rate of 25% mainly due to the gain arising from disposal.

B6. Status of corporate proposals announced but not completed

The was no corporate proposal announced by the Company but has not been completed as at 20 November 2013, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

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B7. Utilisation of proceeds from disposal

On 12 August 2013 ("completion date"), the Company has announced the completion of proposed disposal of 100% equity interest in Lamdeal Consolidated Development Ltd and Lamdeal Golf & Country Club Ltd to Jiuzhou Tourism Property Company Limited, a wholly owned subsidiary of Zhuhai Holdings Investment Group Limited ("Zhuhai Holdings") for an aggregate sale consideration of HKD1.65 billion.

Total sale consideration shall be satisfied by cash of HKD500 million, new Zhuhai Holdings shares and deferred cash payment of HKD850 million from Promissory Notes.

The Board is expected to disclose the detailed plan for the proposed utilisation of the deferred cash payment three months before the target receipt of each tranche of the deferred cash payment.

Cash proceeds of HKD500 million has been received on completion date.

The status of the utilisation of cash proceeds of HKD500 million as at 20 November 2013, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report was as follows:

| | Note | Proposed Utilisation | Proposed Utilisation | Actual Utilisation | Proceeds Balance | Deviation | | Intended Timeframe for Utilisation |
|--------------------------------------|-------|----------------------|----------------------|--------------------|------------------|-----------|---|------------------------------------|
| | | HKD'000 | RM'000 | RM'000 | RM'000 | RM'000 | % | |
| Potential investment | 1,2 | 174,376 | 73,046 | (4,625) | 68,421 | - | - | Within 1 year |
| Operating expenses | 1,2 | 58,125 | 24,349 | (14,818) | 9,531 | - | - | Within 1 year |
| Miscellaneous expenses | 1,2 | 1,499 | 628 | (24) | 604 | - | - | Within 1 year |
| Reduction of bank borrowings | 1,2 | 121,095 | 50,727 | (50,727) | - | - | - | Within 1 year |
| Reduction of other payables | 1,2,3 | 128,905 | 53,998 | (41,733) | 12,265 | - | - | Within 1 year |
| Expenses in relation to the disposal | 1,2,4 | 16,000 | 6,702 | (3,771) | 2,931 | - | - | Within 1 month |
| | | 500,000 | 209,450 | (115,698) | 93,752 | - | - | |

Note :

- 1) Adopted the exchange rate of HKD1.00 : RM0.4189, being the closing rate as at completion date published by Bank Negara.
- 2) The proceeds balance is expected to be utilised within the intended timeframe from the receipt of the proceeds.
- 3) Part of the proceeds has been used to pay tax outstanding and dividend of RM36.63 million pursuant to the announcement made on 20 August 2013.
- 4) The excess will be utilized for operating expenses.

B8. Borrowings and debts securities

Total Group borrowings as at 30 September 2013 were as follows: -

| | Secured RM'000 | Unsecured RM'000 | Total RM'000 |
|------------------------|-------------------|---------------------|-----------------|
| Finance lease payables | 1,051 | - | 1,051 |
| Bank overdrafts | 9,681 | - | 9,681 |
| Bank borrowings | 52,373 | - | 52,373 |
| Short term borrowings | 63,105 | - | 63,105 |

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B8. Borrowings and debts securities (Cont'd)

Total Group borrowings as at 30 September 2013 were as follows:- (cont'd)

| | Secured RM'000 | Unsecured RM'000 | Total RM'000 |
|--|---------------------------|-----------------------------|-------------------------|
| Finance lease payables | 2,696 | - | 2,696 |
| Bank borrowings | 191,954 | - | 191,954 |
| Islamic commercial papers / Islamic medium term notes | 30,000 | - | 30,000 |
| Long term borrowings | 224,650 | - | 224,650 |
| Total borrowings | 287,755 | - | 287,755 |

There is no currency exposure as all the borrowings are in Ringgit Malaysia.

B9. Changes in material litigation

There was no material litigation as at 20 November 2013, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

B10. Dividend

The Company has declared a Special Dividend of 8 sen per ordinary share ("tax exempt dividend") in respect of the financial year ending 31 December 2013 to be paid on 18 October 2013 to depositors registered in the Record of Depositors on 3 October 2013. The dividend was paid on 18 October 2013.

B11. Earnings per share ("EPS")

Basic EPS

The calculation of the basic earnings per share is based on the profit/ (loss) attributable to the Owners of the Parent and divided by the weighted average number of ordinary shares in issue:-

| | Current year period 30.09.2013 | Preceding year period 30.09.2012 |
|---|---|---|
| Profit attributable to Owners of the Parent (RM'000) | | |
| - continuing operations | 371,296 | 31,967 |
| - discontinued operations | 1,923 | (2,142) |
| | <u>373,219</u> | <u>29,825</u> |
| Weighted average number of ordinary shares in issue ('000) | <u>389,288</u> | <u>384,091</u> |
| | Current year Period 30.09.2013 | Preceding year period 30.09.2012 |
| Basic EPS (sen) | | |
| - continuing operations | 95.38 | 8.32 |
| - discontinued operations | 0.49 | (0.56) |
| Total | <u>95.87</u> | <u>7.76</u> |

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B11. Earnings per share (“EPS”) (Cont’d)

Diluted EPS

The calculation of the diluted earnings per share is based on the profit/ (loss) attributable to the Owners of the Parent and divided by the weighted average number of ordinary shares that would have been in issue upon full exercise of the remaining options under Warrants and the ESOS granted, adjusted for the number of such shares that would have been issued at fair value:-

| | Current year period 30.09.2013 | Preceding year period 30.09.2012 |
|---|---|---|
| Profit attributable to Owners of the Parent (RM'000) | | |
| - continuing operations | 371,296 | 31,967 |
| - discontinued operations | 1,923 | (2,142) |
| | <u>373,219</u> | <u>29,825</u> |
| Adjusted weighted average number of ordinary shares in issue ('000) | <u>400,370</u> | <u>384,091</u> |
| Diluted EPS (sen) | | |
| - continuing operations | 92.74 | # 8.32 |
| - discontinued operations | 0.48 | # (0.56) |
| Total | <u>93.22</u> | <u># 7.76</u> |

The number of shares under ESOS and Warrants was not taken into account in the computation of diluted earnings per share because the effect on the basic earnings per share is antidilutive.

B12. Notes to the Statement of Comprehensive Income

| | Current quarter 30.09.2013 RM'000 | Current Period to date 30.09.2013 RM'000 |
|--|--|---|
| Depreciation | (727) | (2,099) |
| Impairment of goodwill arising on consolidation | (3,300) | (8,300) |
| Property, plant and equipment written off | (12) | (20) |
| Share based payment | (3,030) | (3,030) |
| Gain on disposal of non-current assets classified as held for sale | - | 80 |
| Gain on disposal of property, plant and equipment | - | 78 |
| Gain on disposal of subsidiary companies | 336,120 | 336,391 |
| Fair value adjustment on non-current liabilities | 322 | 1,334 |
| Unrealised gain / (loss) on foreign exchange | (116) | 101 |

LBS BINA GROUP BERHAD (518482-H)**B13. Realised and unrealised profits / (losses)**

| | Unaudited 30.09.2013 RM '000 | Audited 31.12.2012 RM '000 |
|---|---|---|
| Total retained profits / (accumulated losses) of the Company and its subsidiaries:- | | |
| - Realised | 743,856 | 232,001 |
| - Unrealised | <u>(23,054)</u> | <u>(23,943)</u> |
| | 720,802 | 208,058 |
| Total share of accumulated losses from associated companies: - | | |
| - Realised | (269) | (576) |
| - Unrealised | <u>-</u> | <u>-</u> |
| | 720,533 | 207,482 |
| Less : Consolidation adjustments | <u>(287,694)</u> | <u>(140,187)</u> |
| Total Group retained profits as per consolidated accounts | <u>432,839</u> | <u>67,295</u> |

The disclosure of realised and unrealised profits / (losses) above is solely for compliance with the directive issue by the Bursa Malaysia and should not be used for any other purpose.

By Order of the Board,

Cynthia Lim Mooi Pang
Executive Director

Petaling Jaya, Selangor Darul Ehsan
27 November 2013