



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

**Interim Financial Report**

**31 December 2015**

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**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (UNAUDITED)  
- For the financial year ended 31 December 2015**

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.12.2015 RM'000	Preceding Year Quarter 31.12.2014 RM'000	Current Year To date 31.12.2015 RM'000	Preceding Year To date 31.12.2014 RM'000
Revenue		189,969	171,592	680,400	668,265
Cost of sales		(120,179)	(114,104)	(445,042)	(455,874)
Gross profit		69,790	57,488	235,358	212,391
Interest Income		3,205	20,885	17,471	24,187
Other income		3,619	447	12,841	5,608
Operating expenses		(34,505)	(37,020)	(138,248)	(116,014)
Finance costs		(6,084)	(11,989)	(21,832)	(23,536)
Share of profit in associated companies		1,355	1,774	1,960	1,493
Profit before taxation		37,380	31,585	107,550	104,129
Taxation	B5	(15,717)	(9,165)	(37,110)	(37,035)
Net profit for the financial year		21,663	22,420	70,440	67,094
<b>Net profit for the financial year attributable to: -</b>					
Owners of the Parent		22,997	23,364	76,011	69,930
Non-controlling interests		(1,334)	(944)	(5,571)	(2,836)
		21,663	22,420	70,440	67,094

**Earnings per share attributable to owners of the Parent**

Basic (sen)	B11	4.26	4.70	14.08	14.06
Diluted (sen)	B11	4.00	4.49	13.22	13.45

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (UNAUDITED)  
- For the financial year ended 31 December 2015 (cont'd)**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2015 RM'000	Preceding Year Quarter 31.12.2014 RM'000	Current Year To date 31.12.2015 RM'000	Preceding Year To date 31.12.2014 RM'000
Net profit for the financial year	21,663	22,420	70,440	67,094
Other comprehensive income, net of tax:				
Exchange translation differences for foreign operations	(9,824)	29,129	64,912	29,515
Gain / (Loss) on revaluation of available-for-sale financial assets	11,309	17,859	(21,203)	4,646
Reclassification adjustment for disposal of available-for-sale financial assets	56	1,465	1,889	1,465
Total comprehensive income for the financial year	<u>23,204</u>	<u>70,873</u>	<u>116,038</u>	<u>102,720</u>
<b>Total other comprehensive income for the financial year attributable to: -</b>				
Owners of the Parent	24,020	73,023	126,801	106,712
Non-controlling interests	(816)	(2,150)	(10,763)	(3,992)
	<u>23,204</u>	<u>70,873</u>	<u>116,038</u>	<u>102,720</u>

*The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

**- As at 31 December 2015**

	Note	31.12.2015 (Unaudited) RM'000	31.12.2014 (Audited) RM'000
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
Property, plant and equipment	A10	241,040	214,445
Capital work-in-progress		3,923	208
Land held for property development		521,309	347,549
Investment properties		33,804	33,198
Investment in associated companies		12,806	13,868
Promissory note		100,499	159,662
Other investments		95,084	136,870
Goodwill on consolidation		83,908	87,142
Deferred expenditure		2,207	-
Deferred tax assets		13,295	2,989
		1,107,875	995,931
<b>Current Assets</b>			
Land and property development costs		429,937	383,730
Inventories		76,537	13,024
Accrued billings in respect of property development costs		151,006	123,689
Trade and other receivables		287,043	248,901
Promissory note		105,524	85,867
Other investments		11,030	27,071
Tax recoverable		8,509	8,985
Fixed deposits with licensed banks		60,930	160,984
Cash held under Housing Development Accounts		87,735	89,132
Cash and bank balances		106,538	82,322
		1,324,789	1,223,705
<b>TOTAL ASSETS</b>		<b>2,432,664</b>	<b>2,219,636</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital		551,437	538,298
Reserves		488,512	445,443
Treasury shares, at cost		(8,634)	(14,679)
		1,031,315	969,062
Non-controlling interests		(18,968)	(7,207)
<b>Total Equity</b>		<b>1,012,347</b>	<b>961,855</b>

**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

**- As at 31 December 2015 (cont'd)**

	31.12.2015 (Unaudited)	31.12.2014 (Audited)
Note	RM'000	RM'000
<b><u>LIABILITIES</u></b>		
<b>Non-current Liabilities</b>		
Bank borrowings	B8 303,542	274,566
Trade and other payables	149,842	99,446
Finance lease payables	B8 5,099	3,688
Deferred tax liabilities	45,506	40,986
	503,989	418,686
<b>Current Liabilities</b>		
Progress billings in respect of property development costs	47,134	116,800
Trade and other payables	599,484	516,533
Bank overdrafts	B8 43,666	13,264
Finance lease payables	B8 1,701	1,026
Islamic Securities	B8 -	10,000
Bank borrowings	B8 214,163	173,964
Tax payable	10,180	7,508
	916,328	839,095
<b>Total Liabilities</b>	1,420,317	1,257,781
<b>TOTAL EQUITY AND LIABILITIES</b>	2,432,664	2,219,636
<b>Net Assets per share attributable to owners of the Parent (RM)</b>	1.89	1.84

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 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 year ended 31 December 2015

	←----- Attributable to owners of the Parent ----->											
	<----- Non-distributable ----->									<-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 Earnings RM'000	Sub-total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance as at 1.1.2015	538,298	(14,679)	44,587	9,945	47,987	-	5,172	(101,526)	439,278	969,062	(7,207)	961,855
Amount recognised directly in equity:												
Net profit for the financial year	-	-	-	-	-	-	-	-	76,011	76,011	(5,571)	70,440
Foreign currency translation	-	-	-	-	73,341	-	-	(3,237)	-	70,104	(5,192)	64,912
Loss on revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	(21,203)	-	(21,203)	-	(21,203)
Reclassification adjustment for disposal of available-for-sale financial assets	-	-	-	-	-	-	-	1,889	-	1,889	-	1,889
Total comprehensive income for the financial year	-	-	-	-	73,341	-	-	(22,551)	76,011	126,801	(10,763)	116,038
Transactions with owners:												
Net changes of non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Changes in ownership interest in subsidiary companies	-	-	-	-	-	-	-	(39,139)	-	(39,139)	2,003	(37,136)
Dividend paid / payable	-	-	-	-	-	-	-	-	(50,478)	(50,478)	-	(50,478)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(3,000)	(3,000)
Issuance of ordinary shares:												
- Conversion of warrants	9,669	-	970	-	-	-	(966)	-	-	9,673	-	9,673
- Exercise of ESOS	3,470	-	391	-	-	-	-	-	-	3,861	-	3,861
Share-based payment	-	-	-	3,140	-	-	-	-	-	3,140	-	3,140
Own shares sold	-	16,945	2,350	-	-	-	-	-	-	19,295	-	19,295
Shares repurchased	-	(10,900)	-	-	-	-	-	-	-	(10,900)	-	(10,900)
Total transactions with owners	13,139	6,045	3,711	3,140	-	-	(966)	(39,139)	(50,478)	(64,548)	(998)	(65,546)
Balance as at 31.12.2015	551,437	(8,634)	48,298	13,085	121,328	-	4,206	(163,216)	464,811	1,031,315	(18,968)	1,012,347

**LBS BINA GROUP BERHAD (518482-H)**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

~ For the financial year ended 31 December 2015 (cont'd)

	←----- Attributable to owners of the Parent ----->											
	<----- Non-distributable ----->									<-Distributable->		Total Equity RM'000
	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 Earnings RM'000	Sub-total RM'000	Non-controlling Interests RM'000	
Balance as at 1.1.2014	479,651	(9,542)	26,642	6,321	17,316	189	8,876	(75,644)	415,848	869,657	2,983	
Amount recognised directly in equity:												
Net profit for the financial year	-	-	-	-	-	-	-	-	69,930	69,930	(2,836)	67,094
Foreign currency translation	-	-	-	-	30,671	-	-	-	-	30,671	(1,156)	29,515
Gain on revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	4,646	-	4,646	-	4,646
Reclassification adjustment for disposal of available-for-sale financial assets	-	-	-	-	-	-	-	1,465	-	1,465	-	1,465
Total comprehensive income for the financial year	-	-	-	-	30,671	-	-	6,111	69,930	106,712	(3,992)	102,720
Transactions with owners:												
Net changes of non-controlling interests	-	-	-	-	-	-	-	-	-	-	538	538
Changes in ownership interest in subsidiary companies	-	-	-	-	-	-	-	(31,993)	-	(31,993)	(2,606)	(34,599)
Realisation of subsidiary company's reserve	-	-	-	-	-	(189)	-	-	189	-	-	-
Dividend paid / payable	-	-	-	-	-	-	-	-	(46,912)	(46,912)	-	(46,912)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,130)	(4,130)
Issuance of ordinary shares:												
- Conversion of warrants	37,037	-	3,704	-	-	-	(3,704)	-	-	37,037	-	37,037
- Exercise of ESOS	1,610	-	241	-	-	-	-	-	-	1,851	-	1,851
- Private Placement	20,000	-	14,000	-	-	-	-	-	-	34,000	-	34,000
Realisation of ESOS's reserves	-	-	-	(224)	-	-	-	-	223	(1)	-	(1)
Share-based payment	-	-	-	3,848	-	-	-	-	-	3,848	-	3,848
Shares repurchased	-	(5,137)	-	-	-	-	-	-	-	(5,137)	-	(5,137)
Total transactions with owners	58,647	(5,137)	17,945	3,624	-	(189)	(3,704)	(31,993)	(46,500)	(7,307)	(6,198)	(13,505)
Balance as at 31.12.2014	538,298	(14,679)	44,587	9,945	47,987	-	5,172	(101,526)	439,278	969,062	(7,207)	961,855

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 2014 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 year ended 31 December 2015**

	<b>Current Year Ended 31.12.2015 RM'000</b>	<b>Preceding Year Ended 31.12.2014 RM'000</b>
Profit before taxation	107,550	104,129
Adjustments for :-		
Non-cash items	15,322	14,619
Other operating items	13,914	9,946
Operating profit before changes in working capital	<u>136,786</u>	<u>128,694</u>
Changes in working capital		
Inventories	(66,421)	9,557
Property development costs	(213,720)	(90,553)
Amount owing by / to contract customers	2,632	(2,213)
Accrued / progress billings in respect of property development costs	(96,982)	(13,063)
Receivables	(19,677)	(54,981)
Payables	96,826	(15,058)
Foreign exchange reserve	(3,551)	2,627
	<u>(300,893)</u>	<u>(163,684)</u>
Cash used in operations	<u>(164,107)</u>	<u>(34,990)</u>
Dividend received	720	2,855
Interest received	5,237	5,008
Interest paid	(28,079)	(26,979)
Tax paid	(46,997)	(54,012)
Tax refund	997	2,418
	<u>(68,122)</u>	<u>(70,710)</u>
Net cash used in operating activities	<u>(232,229)</u>	<u>(105,700)</u>
<b>Cash Flows From Investing Activities</b>		
Additional investment in subsidiary and associated companies	(36,574)	(13,836)
Repayment of prior year investment in subsidiary and associated companies	(8,887)	(20,234)
Purchase of property, plant and equipment	(6,211)	(3,588)
Purchase of investment properties	(317)	(469)
Purchase of quoted shares	(167)	-
Investment in money market	(29,000)	(46,000)
Proceeds from disposal of property, plant and equipment	754	505
Proceeds from disposal of non-current assets classified as held for sale	-	511
Proceeds from disposal of investment in money market	45,314	19,024
Proceeds from disposal of investment in quoted shares	44,782	15,699
Net proceeds from promissory note	105,684	112,700
Net cash inflow / (outflow) from acquisition of subsidiary companies	1	(286)
Capital work-in-progress incurred	(6,313)	(208)
Net cash generated from investing activities	<u>109,066</u>	<u>63,818</u>

**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**- For the financial year ended 31 December 2015 (cont'd)**

	<b>Current Year Ended 31.12.2015 RM'000</b>	<b>Preceding Year Ended 31.12.2014 RM'000</b>
<b>Cash Flows From Financing Activities</b>		
Decrease / (increase) in fixed deposit pledged	21,500	(27,338)
Increase in cash and bank balances pledged	(396)	(2,904)
Drawdown of bank borrowings	248,173	270,742
Repayment of bank borrowings	(229,530)	(234,960)
Dividend paid	(49,563)	(15,109)
Dividend paid to non-controlling interests	(3,000)	(4,130)
Shares repurchased	(10,900)	(5,137)
Proceeds from issuance of shares	-	34,000
Proceeds from conversion of warrants	9,672	37,037
Proceeds from disposal of treasury shares	19,296	-
Proceeds from exercise of ESOS	3,862	1,851
Repayment of finance lease payables	(2,130)	(1,191)
Repayment of Islamic Securities	(10,000)	(20,000)
Net cash (used in) / generated from financing activities	<u>(3,016)</u>	<u>32,861</u>
<b>Net decrease in cash and cash equivalents</b>	(126,179)	(9,021)
<b>Effects of exchange rate changes</b>	33,364	9,371
<b>Cash and cash equivalents at the beginning of the financial year</b>	267,789	267,439
<b>Cash and cash equivalents at the end of the financial year</b>	<u>174,974</u>	<u>267,789</u>
<b>Cash and cash equivalents at the end of the financial year comprise:</b>		
Fixed deposits with licensed banks	60,930	160,984
Cash held under Housing Development Accounts	87,735	89,132
Cash and bank balances	106,538	82,322
Bank overdrafts	(43,666)	(13,264)
	<u>211,537</u>	<u>319,174</u>
Less : Fixed deposits pledged with licensed banks	(27,452)	(42,670)
Cash and bank balances pledged	(9,111)	(8,715)
	<u>174,974</u>	<u>267,789</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 2014 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 2014. 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 2014.

**A2. Changes in accounting policies**Basis of accounting

The financial statements of the Group have been prepared on the historical cost convention basis except as disclosed in the notes to the financial statements and in accordance with Financial Reporting Standards (“FRSs”) and the requirements of the Companies Act, 1965 in Malaysia.

Adoption of new and amended standards

During the financial year, the Group has adopted the following Amendments to FRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for the current financial year:-

Amendments to FRS 119 Defined Benefits Plans: Employee Contributions  
Annual Improvements to FRSs 2010 – 2012 Cycle  
Annual Improvements to FRSs 2011 – 2013 Cycle

The adoption of above amendments to FRSs did not have any significant impact on the financial statements of the Group.

Standards issued but not yet effective

The Group has not applied the following new FRSs and amendments to FRSs that have been issued by the MASB which are not yet effective for the Group:-

	<u>Effective date for financial periods beginning on or after</u>
Annual Improvements to FRSs 2012 – 2014 Cycle	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 116 and FRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 127 Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101 Disclosure Initiative	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128 Exception	1 January 2016
FRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 10 and FRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group intends to adopt the above FRSs when they become effective.

**A2. Changes in accounting policies (cont'd)**

The initial applications of the abovementioned FRSs are not expected to have any significant impacts on the financial statements of the Group except as mentioned below:

FRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)

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

FRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial assets. Investment in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 139. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. FRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 139.

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

**New Malaysian Financial Reporting Standards ("MFRS Framework") issued but not yet effective**

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* and IC Interpretation 15 *Agreements for Construction of Real Estate*, including its parent, significant investor and venturer (hereinafter called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing FRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the financial year ending 31 December 2018. In presenting their first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group has not completed its assessment of the financial effects of the differences between FRSs and accounting standards under the MFRS Framework. Accordingly, the consolidated and separate financial performance and financial position as disclosed in these financial statements for the financial year ended 31 December 2015 could be different if prepared under the MFRS Framework.

## **LBS BINA GROUP BERHAD (518482-H)**

### **A3. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2014 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.

### **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 year, save and except as follows:-

- (i) Issuance of shares pursuant to the Company's Employees' Share Option Scheme ("ESOS")  
The Company has issued and allotted 3,470,300 ordinary shares of RM1.00 each for cash at subscription price ranges from RM1.00 to RM1.56 per ordinary share.
- (ii) Issuance of shares pursuant to the Conversion of Warrants A  
A total of 9,653,560 Warrants A were converted into ordinary shares of RM1.00 each which have resulted in 9,653,560 ordinary shares of RM1.00 each being issued.
- (iii) Issuance of shares pursuant to the Conversion of Warrants B  
A total of 15,000 Warrants B were converted into ordinary shares of RM1.00 each which have resulted in 15,000 ordinary shares of RM1.00 each being issued.
- (iv) Share repurchased by the Company  
The Company repurchased 7,606,800 of its issued shares from the open market for a total consideration of RM10,900,389 and held as Treasury Shares. The Company also resold 12,320,000 of its treasury shares in the open market for a net consideration of RM19,295,623.

### **A8. Dividend paid**

There was no dividend paid during the quarter under review.

# LBS BINA GROUP BERHAD (518482-H)

## A9. Segment information

Year ended 31 December 2015

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Motor Racing Circuit RM'000	Consolidated RM'000
<b>REVENUE</b>					
Sales	577,129	254,733	183,721	22,469	1,038,052
Less: Inter-segment sales	-	(187,419)	(170,233)	-	(357,652)
Total revenue	577,129	67,314	13,488	22,469	680,400
<b>RESULTS</b>					
Segment results	107,373	18,394	(2,096)	(13,720)	109,951
Interest income	4,541	3	12,818	109	17,471
Finance costs	(9,968)	(1,424)	(9,220)	(1,220)	(21,832)
Share of profit in associated companies	-	-	1,960	-	1,960
Profit/(loss) before taxation	101,946	16,973	3,462	(14,831)	107,550
Taxation	(31,314)	(4,972)	(2,486)	1,662	(37,110)
Net profit/(loss) for the financial year	70,632	12,001	976	(13,169)	70,440
<b>Assets</b>					
Additional investment in associated companies	50	45	763	-	858
Additions to non-current assets	236,300	7,915	12,137	618	256,970
Segment assets	1,695,019	103,620	388,595	245,430	2,432,664
<b>Other non-cash expenses</b>					
Allowance for impairment loss on:					
- Goodwill arising on consolidation	3,236	-	-	-	3,236
- Investment in an associated company	-	-	3,881	-	3,881
- Inventories	36	-	-	-	36
Bad debts written off	29	-	-	-	29
Depreciation of:					
- Property, plant and equipment	1,606	1,400	384	14,156	17,546
- Investment properties	277	441	3	-	721
Loss on disposal of property, plant and equipment	289	18	-	-	307
Property, plant and equipment written off	13	45	-	21	79
Share-based payment	-	-	3,140	-	3,140
Unrealised foreign exchange loss	-	-	1,874	-	1,874
<b>Other non-cash income</b>					
Gain on disposal of:					
- Quoted shares	-	-	(588)	-	(588)
- Investment in money market	(153)	-	(104)	-	(257)
Net interest income from financial assets measured at amortised cost	-	-	(12,234)	-	(12,234)
Reversal of allowance for impairment loss on receivable	(13)	-	-	-	(13)
Unrealised foreign exchange gain	(2)	-	-	(30)	(32)
Waiver of debts	(14)	-	-	-	(14)

# LBS BINA GROUP BERHAD (518482-H)

## A9. Segment information (cont'd)

Year ended 31 December 2014

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Motor Racing Circuit RM'000	Consolidated RM'000
<b>REVENUE</b>					
Sales	615,906	295,098	232,056	18,183	1,161,243
Less: Inter-segment sales	-	(278,883)	(214,095)	-	(492,978)
Total revenue	615,906	16,215	17,961	18,183	668,265
<b>RESULTS</b>					
Segment results	111,982	15,753	(14,276)	(11,474)	101,985
Interest income	6,044	111	17,940	92	24,187
Finance costs	(15,346)	(721)	(6,978)	(491)	(23,536)
Share of profit in associated companies	-	-	1,493	-	1,493
Profit/(loss) before taxation	102,680	15,143	(1,821)	(11,873)	104,129
Taxation	(31,985)	(4,090)	(2,369)	1,409	(37,035)
Net profit/(loss) for the financial year	70,695	11,053	(4,190)	(10,464)	67,094
<b>Assets</b>					
Additional investment in associated companies	350	-	9,755	-	10,105
Additions to non-current assets	48,494	2,260	794	318	51,866
Segment assets	1,239,963	101,832	655,597	222,244	2,219,636
<b>Other non-cash expenses</b>					
Allowance for impairment loss on:					
- Goodwill arising on consolidation	7,051	-	-	-	7,051
- Investment in an associated company	200	-	-	-	200
Bad debts written off	5	22	-	-	27
Depreciation of:					
- Property, plant and equipment	1,594	1,302	29	12,167	15,092
- Investment properties	244	213	3	-	460
Interest expense on financial liabilities measured at amortised cost	7,089	-	-	-	7,089
Loss on disposal of:					
- Property, plant and equipment	-	11	-	2	13
- Quoted shares	-	-	1,913	-	1,913
Property, plant and equipment written off	13	1	-	3	17
Share-based payment	-	-	3,848	-	3,848
Unrealised foreign exchange loss	-	-	1,050	124	1,174
<b>Other non-cash income</b>					
Gain on disposal of:					
- Property, plant and equipment	(78)	-	-	-	(78)
- Investment in money market	-	-	(41)	-	(41)
- Non-current assets classified as held for sale	-	(70)	-	-	(70)
Interest income from financial assets measured at amortised cost	(2,109)	-	(17,070)	-	(19,179)
Reversal of allowance for impairment loss on receivables	(41)	-	-	-	(41)

## **LBS BINA GROUP BERHAD (518482-H)**

### **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 October 2015, a total of 338,100 share options under ESOS were granted at the subscription price of RM1.33 each to the eligible employees under the Twenty-Ninth Grant of the ESOS.
- (ii) On 5 October 2015, Sinaran Restu Sdn. Bhd. ("SRSB"), a wholly-owned subsidiary company of LBS Bina Holdings Sdn. Bhd. ("LBS") has increased its paid up share capital from 13,000,000 to 17,000,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional 4,000,000 ordinary shares of RM1.00 each in SRSB by way of capitalization.
- (iii) On 7 October 2015, Fokus Awana Sdn. Bhd. ("FASB"), a 70%-owned subsidiary company of LBS, has increased its paid up share capital from 100,000 to 7,000,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional 4,830,000 ordinary shares of RM1.00 each in FASB by way of capitalization. FASB remains a 70%-owned subsidiary company of LBS.
- (iv) On 15 October 2015, LBS has entered into a Share Sale Agreement to acquire Two Million One Hundred Thousand (2,100,000) ordinary shares of RM1.00 each representing 30% of the equity interest in FASB for a total cash consideration of Ringgit Malaysia Twelve Million (RM12,000,000) only. The Share Sale Agreement completed on 26 November 2015. Accordingly, FASB became a wholly-owned subsidiary company of LBS.
- (v) On 21 October 2015, YLT Consultancy Sdn. Bhd. ("YLTCSB"), a 30% associated company of MITC Engineering Sdn. Bhd. ("MITCE"), which in turn an indirect 75%-owned subsidiary of the Company, has increased its paid up share capital from 100 to 150,000 ordinary shares of RM1.00 each. MITCE has subscribed for an additional 44,970 ordinary shares of RM1.00 each in YLTCSB by way of capitalization of RM34,849.70 and cash payment of RM10,120.30. YLTCSB remains a 30% associated company of MITCE.
- (vi) On 1 November 2015, a total of 175,100 share options under ESOS were granted at the subscription price of RM1.29 each to the eligible employees under the Thirtieth Grant of the ESOS.
- (vii) On 1 December 2015, a total of 248,200 share options under ESOS were granted at the subscription price of RM1.23 each to the eligible employees under the Thirty-First Grant of the ESOS.
- (viii) During the financial quarter under review, the Company has acquired 120,000 ordinary shares of RM0.50 each in ML Global Berhad ("ML Global") for a total cash consideration of Ringgit Malaysia Forty-Six Thousand Four Hundred Thirty Eight (RM46,438) only. Consequently, ML Global became a 24.13% associated company of the Company.

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



## LBS BINA GROUP BERHAD (518482-H)

### A12. Material subsequent events

- (i) On 1 January 2016, a total of 176,900 share options under ESOS were granted at the subscription price of RM1.28 each to the eligible employees under the Thirty-Second Grant of the ESOS.
- (ii) On 1 February 2016, a total of 100,300 share options under ESOS were granted at the subscription price of RM1.22 each to the eligible employees under the Thirty-Third Grant of the ESOS.
- (iii) On 27 January 2016, LBS has acquired One Hundred Fifty Thousand (150,000) ordinary shares of RM1.00 each in Puncak Gama Sdn Bhd ("PGSB") for a total cash consideration of Ringgit Malaysia Eleven Million (RM11,000,000) only. PGSB would become a 66% subsidiary company of LBS upon 50% settlement of purchase consideration.

There were no other material subsequent events as at 18 February 2016, 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 31 December 2015 were as follows:

	<b>Amount RM'000</b>
Approved and contracted for property development:	
- Sale and Purchase Agreements	146,108
- Joint Venture Agreements	385,360
	<u>531,468</u>

### A14. Changes in contingent assets or contingent liabilities

	<b>31.12.2015 RM'000</b>	<b>31.12.2014 RM'000</b>
Bank guarantees issued for :		
- Property Development	14,973	15,310
- Construction Contract	45	28
- Others	30	28
	<u>15,048</u>	<u>15,366</u>

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

## LBS BINA GROUP BERHAD (518482-H)

### A15. Significant related party transactions

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

	<b>Amount RM'000</b>
<b>Income</b>	
Sale of development properties	40,597
Rental income	36
Rendering of insurance services	4
<b>Expenses</b>	
Contractor fees	32,750
Equity instrument	36,300
Legal fees	679
Rental expenses	133

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

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

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

**B1. Review of Group performance**

For the current quarter under review, the Group recorded revenue and profit before tax ("PBT") of approximately RM190 million and RM37 million respectively. These represent 11% increase in revenue and 18% increase in PBT over the results recorded in the corresponding quarter in the year 2014.

For the financial year ended 31 December 2015, the Group recorded revenue and PBT of approximately RM680 million and RM108 million respectively. These represent a 2% increase in revenue and 3% increase in PBT over the results recorded in the preceding year 2014.

The improved revenue and PBT for the current quarter and financial year ended 31 December 2015 were mainly attributable to the projects at Bandar Saujana Putra, D' Island Residence, Cameron Golden Hills, Bandar Putera Indah, Sinaran Mahkota and Midhills.

*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**

For the current quarter under review, the Group's revenue and PBT were approximately RM190 million and RM37 million respectively as compared to the revenue and PBT of approximately RM137 million and RM23 million respectively in the immediate preceding quarter.

The improved revenue and PBT were attributable to higher progressive recognition of revenue and profit from its on-going projects.

**B3. Prospects for the next financial year**

The Group has achieved sales of RM1.03 billion in the year 2015.

The Group plans to launch its new projects in Klang Valley, Pahang, Johor and will continue to source for strategic development lands to further enhance its financial performance.

With the Group's 15 ongoing projects, unbilled sales of approximately RM1.07 billion as at 31 January 2016 and new project launches in the year 2016, the Group is confident of achieving further improvement in its financial performance for the financial year ending 31 December 2016.

**B4. Profit forecast or profit guarantee**

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

## LBS BINA GROUP BERHAD (518482-H)

### B5. Taxation

The breakdown of tax expense were as follows:-

	Individual Quarter		Cumulative Period	
	Current year Quarter 31.12.2015 RM'000	Preceding year Quarter 31.12.2014 RM'000	Current year To date 31.12.2015 RM'000	Preceding year To date 31.12.2014 RM'000
Current year tax provision	22,107	10,040	46,995	38,281
Under provision in prior years	-	510	2,106	1,827
Deferred taxation	(6,390)	(1,385)	(11,991)	(3,073)
Total tax expense	<u>15,717</u>	<u>9,165</u>	<u>37,110</u>	<u>37,035</u>

The effective tax rate of the Group for the current quarter and financial year were higher than the statutory tax rate of 25% mainly due to losses of certain subsidiary companies which cannot set off against taxable profits made by other subsidiary companies, non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary difference.

### B6. Status of corporate proposals announced but not completed

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 18 February 2016, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report :-

- (i) On 26 March 2014, the Company's wholly-owned subsidiary company, Intellview Sdn. Bhd. entered into a Conditional Sale and Purchase Agreement with Laser Plus Sdn. Bhd. for the acquisition of a piece of leasehold land known as Country Lease No. 015005991, Tanjong Lipat, Jesselton in the District of West Coast in the State of Sabah measuring an area 6.25 acres for a purchase consideration of Ringgit Malaysia Seventy Two Million and Five Hundred Thousand (RM72,500,000) only.

This Agreement has not been completed as the Condition Precedents therein have not been complied.

- (ii) On 21 April 2014, Koleksi Sigma Sdn. Bhd., a subsidiary company of the Company entered into a Joint Development Agreement with YPJ Multi Ventures Sdn. Bhd. (Company No. 268101-X) for the proposed joint development project to develop 3 pieces of land with total land area measuring 10.6 acres in Tampoi, Johor.

This Agreement has not been completed as the Condition Precedents therein have not been complied.

- (iii) On 19 September 2015, the Company had signed a Memorandum of Understanding ("MOU") with Zhuhai Jiuzhou Holdings Group Co. Ltd, ("Jiuzhou Holdings") in relation to the proposed Zhuhai International Circuit Limited ("ZIC") Upgrading and Transformation Plan ("Plan").

This MOU is not subject to the approval of shareholders. However the Plan would be subject to the feasibility study and approvals of all relevant authorities in China.

There is no material development from the date of announcement.

## LBS BINA GROUP BERHAD (518482-H)

### 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 company 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 Note.

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 and new Zhuhai Holdings shares have been received on completion date. HKD500 million has been fully utilized in February 2015.

On 26 September 2014, the Board had announced the utilisation of proceeds for the first tranche of the deferred cash payment of HKD250 million from the Promissory Note. Such sum has been received on 30 December 2014.

On 1 September 2015, the Board had announced the early receipt of HKD200 million from the second tranche of Promissory Note and its intended plan for the utilisation of proceeds.

The status of the utilisation of cash proceeds of HKD500 million, HKD250 million and HKD200 million as at 18 February 2016, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of interim financial report, were as follows:

#### a) HKD500 million (Cash)

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Timeframe for utilisation
		HKD'000	RM'000	RM'000	RM'000	RM'000	%	
Potential investment	1,2,4	174,376	73,046	(34,648)	38,398	-	-	Within 1.5 years
Operating expenses	1,2,4	58,125	24,349	(12,829)	11,520	-	-	Within 1 year
Miscellaneous expenses	1,2,4	1,499	628	(62)	566	-	-	Within 1 year
Reduction of bank borrowings	1,2,3	121,095	50,727	(68,188)	(17,461)	(17,461)	-34%	Within 1 year
Reduction of other payables	1,2,4	128,905	53,998	(53,320)	678	-	-	Within 1 year
Expenses in relation to the disposal	1,2,4	16,000	6,702	(3,773)	2,929	-	-	Within 1 year
Dividend	3	-	-	(36,630)	(36,630)	(36,630)	-100%	Within 1 year
	5	500,000	209,450	(209,450)	-	(54,091)	-134%	

**LBS BINA GROUP BERHAD (518482-H)**

**B7. Utilisation of proceeds from disposal (cont'd)**

**b) HKD250million (Tranche 1 of Promissory Note)**

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Timeframe for utilisation
		HKD'000	RM'000	RM'000	RM'000	RM'000	%	
Reduction of bank borrowings	1,2,4	121,951	54,976	(42,181)	12,795	-	0.00%	Within 1 year
Special dividend	1,2,4	78,049	35,184	(31,427)	3,757	-	0.00%	Within 1 month
Payment for trade and other payables	1,2,3,4	24,390	10,995	(36,837)	(25,842)	(25,842)	-235.03%	Within 1 year
Operating expenses	1,2,4	25,610	11,545	(1)	11,544	-	0.00%	Within 1.5 years
	5	250,000	112,700	(110,446)	2,254	(25,842)	-235.03%	

**c) HKD200million (Tranche 2 of Promissory Note)**

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Timeframe for utilisation
		HKD'000	RM'000	RM'000	RM'000	RM'000	%	
Reduction of bank borrowings	1,2,4	70,000	37,618	(18,202)	19,416	-	0.00%	Within 1 year
Special dividend	1,2,4	80,000	42,992	(31,931)	11,061	-	0.00%	Within 1 year
Payment for trade and other payables	1,2,3,4	30,000	16,122	(39,810)	(23,688)	(23,688)	-146.93%	Within 1 year
Operating expenses	1,2,4	20,000	10,748	(10,104)	644	-	0.00%	Within 1 year
	5	200,000	107,480	(100,047)	7,433	(23,688)	-146.93%	

Note:

1) a) HKD500 million

Adopted the exchange rate of HKD1.00 : RM0.4189, being the closing rate as at completion date published by Bank Negara.

b) HKD250 million

Adopted the exchange rate of HKD1.00 : RM0.4510, being the closing rate as at 30 December 2014 published by Bank Negara.

b) HKD200 million

Adopted the exchange rate of HKD1.00 : RM0.5374, being the closing rate as at 1 September 2015 published by Bank Negara.

2) The proceeds balance is expected to be utilised within the timeframe from the receipt of the proceeds.

3) Any shortfall in the funds allocated for specific purpose will be funded from the funds allocated for other approved purposes.

4) Any unutilised proceeds has been placed in short term deposits until such relevant expenses have been identified.

5) a) HKD500 million

Fully utilised in February 2015.

b) HKD250 million

Not yet fully utilised.

c) HKD200 million

Not yet fully utilised.

## LBS BINA GROUP BERHAD (518482-H)

### B8. Borrowings and debt securities

Total Group borrowings and debt securities as at 31 December 2015 were as follows: -

	<b>Secured RM'000</b>
<u>Short term borrowings</u>	
Finance lease payables	1,701
Bank overdrafts	43,666
Bank borrowings	<u>214,163</u>
Total short term borrowings	<u>259,530</u>
<u>Long term borrowings</u>	
Finance lease payables	5,099
Bank borrowings	<u>303,542</u>
Total long term borrowings	<u>308,641</u>
Total borrowings	<u>568,171</u>

Currency exposure profile of borrowings were as follow:-

	<b>Secured RM'000</b>
Ringgit Malaysia	428,671
Hong Kong Dollar	123,958
United States Dollar	<u>15,542</u>
	<u>568,171</u>

### B9. Changes in material litigation

There was no material litigation as at 18 February 2016, 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 declared

On 26 November 2015, the Company has declared a special dividend of 6 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2015, which the entitlement date and payment date have been fixed on 7 January 2016 and 26 January 2016, respectively.

### B11. Earnings per share ("EPS")

#### Basic EPS

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

	<b>Current year to date 31.12.2015</b>	<b>Preceding year to date 31.12.2014</b>
Net profit attributable to owners of the Parent (RM'000)	<u>76,011</u>	<u>69,930</u>
Weighted average number of ordinary shares in issue ('000)	<u>539,759</u>	<u>497,414</u>
Basic EPS (sen)	<u>14.08</u>	<u>14.06</u>

**LBS BINA GROUP BERHAD (518482-H)****B11. Earnings per share (“EPS”) (cont’d)****Diluted EPS**

The calculation of the diluted earnings per share is based on the profit 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:-

	<b>Current year to date 31.12.2015</b>	<b>Preceding year to date 31.12.2014</b>
Net profit attributable to owners of the Parent (RM’000)	76,011	69,930
Adjusted weighted average number of ordinary shares in issue (‘000)	575,036	520,101
Diluted EPS (sen)	13.22	13.45

**B12. Notes to the Condensed Consolidated Statement of Comprehensive Income**

	<b>Current Year Quarter 31.12.2015 RM’000</b>	<b>Current Year To Date 31.12.2015 RM’000</b>
Bad debts written off	(29)	(29)
Depreciation of :		
- Property, plant and equipment	(4,745)	(17,546)
- Investment properties	(200)	(721)
Allowance for impairment loss on:		
- Goodwill arising on consolidation	-	(3,236)
- Investment in an associated company	(3,881)	(3,881)
- Inventories	(36)	(36)
Loss on disposal of property, plant and equipment	(59)	(307)
Property, plant and equipment written off	(63)	(79)
Share-based payment	(385)	(3,140)
(Loss) / Gain on disposal of quoted shares	(259)	588
Gain on disposal of investment in money market	153	257
Net interest income from financial assets measured at amortised cost	1,775	12,234
Net foreign exchange loss	3,933	727
Reversal of allowance for impairment loss on receivables	13	13
Waiver of debt	14	14



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

	<b>Unaudited 31.12.2015 RM'000</b>	<b>Audited 31.12.2014 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiary companies:-		
- Realised	703,007	717,604
- Unrealised	<u>(3,868)</u>	<u>(2,928)</u>
	699,139	714,676
Total share of retained profits/(accumulated losses) from associated companies: -		
- Realised	<u>2,919</u>	<u>963</u>
	702,058	715,639
Less : Consolidation adjustments	<u>(237,247)</u>	<u>(276,361)</u>
Total Group retained profits as per consolidated accounts	<u>464,811</u>	<u>439,278</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,**

**Dato' Lim Mooi Pang  
Executive Director**

Petaling Jaya, Selangor Darul Ehsan  
25 February 2016