



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

Interim Financial Report

31 December 2016

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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 2016**

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 RM'000	Current Year To date 31.12.2016 RM'000	Preceding Year To date 31.12.2015 RM'000
Revenue		322,269	189,865	993,618	680,296
Cost of sales		(208,760)	(120,179)	(672,322)	(445,042)
Gross profit		113,509	69,686	321,296	235,254
Interest Income		6,733	3,076	11,532	17,342
Other income		21,801	1,508	42,043	10,730
Operating expenses		(81,794)	(31,281)	(205,425)	(135,025)
Finance costs		(5,540)	(6,084)	(23,625)	(21,831)
Share of (loss) / profit in associated companies		(31)	1,013	(1,211)	1,618
Profit before taxation		54,678	37,918	144,610	108,088
Taxation	B5	(27,430)	(16,199)	(59,444)	(37,592)
Net profit for the financial year		27,248	21,719	85,166	70,496
Net profit for the financial year attributable to: -					
Owners of the Parent		28,155	23,060	85,628	76,074
Non-controlling interests		(907)	(1,341)	(462)	(5,578)
		27,248	21,719	85,166	70,496
Earnings per share attributable to owners of the Parent:-					
Basic (sen)	B11	4.78	4.27	14.53	14.09
Diluted (sen)	B11	4.57	3.98	13.90	13.13

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
- For the financial year ended 31 December 2016 (cont'd)**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 RM'000	Current Year To date 31.12.2016 RM'000	Preceding Year To date 31.12.2015 RM'000
Net profit for the financial year	27,248	21,719	85,166	70,496
Other comprehensive income, net of tax:				
Exchange translation differences for foreign operations	10,763	(9,825)	(2,102)	64,911
(Loss) / Gain on revaluation of available-for-sale financial assets	(6,655)	11,280	752	(21,232)
Reclassification adjustment for fair value loss on available-for-sale financial assets	27,026	-	27,026	-
Reclassification adjustment for disposal of available-for-sale financial assets	-	55	-	1,888
Total comprehensive income for the financial year	<u>58,382</u>	<u>23,229</u>	<u>110,842</u>	<u>116,063</u>
Total other comprehensive income for the financial year attributable to: -				
Owners of the Parent	61,957	24,054	113,039	126,836
Non-controlling interests	(3,575)	(825)	(2,197)	(10,772)
	<u>58,382</u>	<u>23,229</u>	<u>110,842</u>	<u>116,064</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 2015 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 31 December 2016

	Note	31.12.2016 (Unaudited) RM'000	31.12.2015 (Audited) RM'000
<u>ASSETS</u>			
Non-current Assets			
Property, plant and equipment	A10	261,848	240,942
Capital work-in-progress		4,354	6,229
Land and property development costs		729,431	515,026
Investment properties		61,469	33,767
Investment in associated companies		2,635	13,879
Promissory note		-	100,499
Other investments		99,952	94,984
Goodwill on consolidation		127,753	84,217
Deferred expenditure		1,014	-
Deferred tax assets		24,463	13,183
		1,312,919	1,102,726
Current Assets			
Land and property development costs		363,346	437,735
Inventories		187,867	76,537
Amount owing by customers on contract		5,238	56
Accrued billings in respect of land and property development costs		327,215	149,081
Trade and other receivables		422,880	288,997
Promissory note		-	105,524
Other investments		-	38,488
Tax recoverable		6,677	8,042
Fixed deposits with licensed banks		49,068	33,471
Cash held under Housing Development Accounts		74,387	87,735
Cash and bank balances		107,332	106,386
		1,544,010	1,332,052
TOTAL ASSETS		2,856,929	2,434,778
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners of the Parent			
Share capital		641,424	551,437
Reserves		466,413	488,858
Treasury shares, at cost		(88)	(8,634)
		1,107,749	1,031,661
Non-controlling interests		112,861	(19,288)
Total Equity		1,220,610	1,012,373

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
- As at 31 December 2016 (cont'd)

		31.12.2016	31.12.2015
		(Unaudited)	(Audited)
	Note	RM'000	RM'000
<u>LIABILITIES</u>			
Non-current Liabilities			
Bank borrowings	B8	316,726	287,939
Trade and other payables		263,152	149,843
Finance lease payables	B8	4,127	5,099
Deferred tax liabilities		43,768	45,454
		627,773	488,335
Current Liabilities			
Amount owing to customers on contract		11,841	5,603
Progress billings in respect of land and property development costs		13,299	45,209
Trade and other payables		665,307	597,244
Bank overdrafts	B8	100,902	43,666
Finance lease payables	B8	2,108	1,701
Bank borrowings	B8	192,963	229,766
Tax payable		22,126	10,881
		1,008,546	934,070
Total Liabilities		1,636,319	1,422,405
TOTAL EQUITY AND LIABILITIES		2,856,929	2,434,778
Net Assets per share attributable to owners of the Parent (RM)		1.73	1.89

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 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 2016

	←----- Attributable to owners of the Parent -----→							----- Non-distributable ----- > <-Distributable->			
	Share Capital	Treasury Shares	Share Premium	ESOS Reserve	Foreign Exchange Reserve	Warrant Reserve	Other Reserve	Retained Earnings	Sub-total	Non-controlling Interests	Total Equity
	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 1.1.2016	551,437	(8,634)	48,298	12,794	121,327	68,321	(227,048)	465,166	1,031,661	(19,288)	1,012,373
Amount recognised directly in equity:											
Net profit for the financial period	-	-	-	-	-	-	-	85,628	85,628	(462)	85,166
Foreign currency translation	-	-	-	-	(1,462)	-	1,095	-	(367)	(1,735)	(2,102)
Gain on revaluation of available-for-sale financial assets	-	-	-	-	-	-	752	-	752	-	752
Reclassification adjustment for fair value loss on available-for-sale financial assets	-	-	-	-	-	-	27,026	-	27,026	-	27,026
Total comprehensive income for the financial year	-	-	-	-	(1,462)	-	28,873	85,628	113,039	(2,197)	110,842
Transactions with owners:											
Net changes of non-controlling interests	-	-	-	-	-	-	-	-	-	16,352	16,352
Changes in ownership interest in subsidiary companies	-	-	-	-	-	-	(81,689)	-	(81,689)	119,994	38,305
Dividend paid	-	-	-	-	-	-	-	(73,109)	(73,109)	-	(73,109)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(2,000)	(2,000)
Issuance of ordinary shares:											
- Exercise of ESOS	2,998	-	895	-	-	-	-	-	3,893	-	3,893
- Exercise of warrants	86,989	-	18,054	-	-	(2,475)	-	-	102,568	-	102,568
Realisation of warrant reserve	-	-	-	-	-	(8,372)	8,372	-	-	-	-
Share-based payment	-	-	-	2,574	-	-	-	-	2,574	-	2,574
Own shares sold	-	8,570	266	-	-	-	-	-	8,836	-	8,836
Shares repurchased	-	(24)	-	-	-	-	-	-	(24)	-	(24)
Total transactions with owners	89,987	8,546	19,215	2,574	-	(10,847)	(73,317)	(73,109)	(36,951)	134,346	97,395
Balance as at 31.12.2016	641,424	(88)	67,513	15,368	119,865	57,474	(271,492)	477,685	1,107,749	112,861	1,220,610

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

- For the financial year ended 31 December 2016 (cont'd)

	←----- Attributable to owners of the Parent ----->								<-Distributable->	Non-controlling Interests	Total Equity
	<----- Non-distributable ----->										
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	ESOS Reserve RM'000	Foreign Exchange Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000			
Balance as at 1.1.2015	538,298	(14,679)	44,587	9,945	47,986	5,172	(101,526)	439,279	969,062	(7,207)	961,855
Amount recognised directly in equity:											
Net profit for the financial year	-	-	-	-	-	-	-	76,074	76,074	(5,578)	70,496
Foreign currency translation	-	-	-	-	73,341	-	(3,236)	-	70,105	(5,194)	64,911
Loss on revaluation of available-for-sale financial assets	-	-	-	-	-	-	(21,232)	-	(21,232)	-	(21,232)
Reclassification adjustment for disposal of available-for-sale financial assets	-	-	-	-	-	-	1,888	-	1,888	-	1,888
Total comprehensive income for the financial year	-	-	-	-	73,341	-	(22,580)	76,074	126,835	(10,772)	116,063
Transactions with owners:											
Net changes of non-controlling interests	-	-	-	-	-	-	-	-	-	2,164	2,164
Changes in ownership interest in subsidiary companies	-	-	-	-	-	-	(38,827)	-	(38,827)	(473)	(39,300)
Dividend paid	-	-	-	-	-	-	-	(50,478)	(50,478)	-	(50,478)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,000)	(3,000)
Issuance of ordinary shares:											
- Exercise of ESOS	3,470	-	392	-	-	-	-	-	3,862	-	3,862
- Exercise of warrants	9,669	-	969	-	-	(966)	-	-	9,672	-	9,672
Issuance of warrants	-	-	-	-	-	64,122	(64,122)	-	-	-	-
Realisation of reserves	-	-	-	(291)	-	(7)	7	291	-	-	-
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	2,849	-	63,149	(102,942)	(50,187)	(64,236)	(1,309)	(65,545)
Balance as at 31.12.2015	551,437	(8,634)	48,298	12,794	121,327	68,321	(227,048)	465,166	1,031,661	(19,288)	1,012,373

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 2015 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 2016

	Current Year Ended 31.12.2016 RM'000	Preceding Year Ended 31.12.2015 RM'000
Profit before taxation	144,610	108,088
Adjustments for :-		
Non-cash items	37,805	17,034
Other operating items	12,845	14,385
Operating profit before changes in working capital	<u>195,260</u>	<u>139,507</u>
Changes in working capital :		
Inventories	(110,688)	(66,421)
Land and property development costs	(120,100)	(100,189)
Amount owing by / to customers on contract	1,056	4,147
Accrued / progress billings in respect of land and property development costs	(210,044)	(96,982)
Receivables	47,438	8,505
Payables	182,459	102,550
Foreign exchange reserve	2,015	123
	<u>(207,864)</u>	<u>(148,267)</u>
Cash used in operations	<u>(12,604)</u>	<u>(8,760)</u>
Dividend received	1,478	720
Interest received	10,042	5,108
Interest paid	(43,751)	(31,705)
Tax paid	(60,101)	(46,996)
Tax refund	1,212	997
	<u>(91,120)</u>	<u>(71,876)</u>
Net cash used in operating activities	<u>(103,724)</u>	<u>(80,636)</u>
Cash Flows From Investing Activities		
Additional investment in :		
- Available-for-sale financial assets	-	(167)
- Financial assets at fair value through profit or loss	-	(128,200)
- Subsidiary and associated companies	(51,716)	(36,574)
Repayment of prior year investment in subsidiary and associated companies	(4,169)	(8,886)
Purchase of :		
- Financial assets at fair value through profit or loss	(44,000)	-
- Investment properties	-	(317)
- Other Investment	(2)	-
- Property, plant and equipment	(8,473)	(6,840)
Proceeds from disposal of :		
- Available-for-sale financial assets	33,580	44,782
- Financial assets at fair value through profit or loss	82,122	117,191
- Investment properties	-	-
- Non-current assets classified as held for sale	17,064	-
- Property, plant and equipment	1,148	754
Proceeds from Promissory note	199,719	105,684
Deposits and consideration paid for acquisition and joint venture of development lands	(134,946)	(145,800)
Balance carried down	<u>90,327</u>	<u>(58,373)</u>

LBS BINA GROUP BERHAD (518482-H)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**
- For the financial year ended 31 December 2016 (cont'd)

	Current Year Ended 31.12.2016 RM'000	Preceding Year Ended 31.12.2015 RM'000
Cash Flows From Investing Activities (cont'd)		
Balance brought down	90,327	(58,373)
Acquisition of subsidiary companies, net of cash acquired	(59,139)	1
Capital work-in-progress incurred	(3,084)	(6,210)
Deferred expenditure incurred	(1,014)	-
Net cash generated from / (used in) investing activities	<u>27,090</u>	<u>(64,582)</u>
Cash Flows From Financing Activities		
(Increase) / Decrease in fixed deposit pledged	(19,758)	22,218
Increase in cash and bank balances pledged	(765)	(399)
Drawdown of bank borrowings	351,813	247,794
Repayment of bank borrowings	(375,731)	(228,424)
Dividend paid	(66,917)	(49,563)
Dividend paid to non-controlling interests	(2,000)	(3,000)
Shares repurchased	(24)	(10,900)
Proceeds from :		
- Exercise of ESOS	3,893	3,862
- Exercise of warrants	102,568	9,672
- Own shares sold	8,836	19,295
Repayment of :		
- Finance lease payables	(1,817)	(2,130)
- Islamic Securities	-	(10,000)
Net cash generated from / (used in) financing activities	<u>98</u>	<u>(1,575)</u>
Net decrease in cash and cash equivalents	(76,536)	(146,793)
Effects of exchange rate changes	1,972	33,364
Cash and cash equivalents at the beginning of the financial year	154,360	267,789
Cash and cash equivalents at the end of the financial year	<u>79,796</u>	<u>154,360</u>
Cash and cash equivalents at the end of the financial year comprise:		
Fixed deposits with licensed banks	49,068	33,471
Cash held under Housing Development Accounts	74,387	87,735
Cash and bank balances	107,332	106,386
Bank overdrafts	(100,902)	(43,666)
	<u>129,885</u>	<u>183,926</u>
Less : Fixed deposits pledged with licensed banks	(40,210)	(20,452)
Cash and bank balances pledged	(9,879)	(9,114)
	<u>79,796</u>	<u>154,360</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 2015 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 2015. 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 2015.

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 FRS and Amendments to FRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for the current financial year:-

FRS 14	Regulatory Deferral Accounts
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 127	Equity Method in Separate Financial Statements
Amendments to FRS 101	Disclosure Initiative
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying to Consolidation Exception
Annual Improvements to FRSs 2012 – 2014 Cycle	

The adoption of above FRS and 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 FRS and amendments to FRSs that have been issued by the MASB which are not yet effective for the Group:-

		Effective date for financial periods <u>beginning on or after</u>
Amendments to FRS 107	Disclosure Initiative	1 January 2017
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to FRS 140	Transfer of Investment Property	1 January 2018
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018

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

Standards issued but not yet effective (*cont'd*)

The Group has not applied the following new FRS and amendments to FRSs that have been issued by the MASB which are not yet effective for the Group :- (*cont'd*)

		Effective date for financial periods <u>beginning on or after</u>
Amendments to FRS 4	Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts	1 January 2018
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration		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
Annual Improvements to FRSs 2014 – 2016 Cycle		

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

The initial application 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.

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

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 2016 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 2015 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.

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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 2,997,900 ordinary shares of RM1.00 each for cash at subscription price ranges from RM1.000 to RM1.609 per ordinary share.
- (ii) Issuance of shares pursuant to the Conversion of Warrants A
A total of 24,676,306 Warrants A were converted into ordinary shares of RM1.00 each at an exercise price of RM1.00 per Warrant A which have resulted in 24,676,306 ordinary shares of RM1.00 each being issued.
- (iii) Issuance of shares pursuant to the Conversion of Warrants B
A total of 62,313,150 Warrants B were converted into ordinary shares of RM1.00 each at an exercise price of RM1.25 per Warrant B which have resulted in 62,313,150 ordinary shares of RM1.00 each being issued.
- (iv) Share repurchased by the Company
The Company resold 6,071,800 of its treasury shares in the open market for a net consideration of RM8,835,543. Subsequently, the Company repurchased 15,000 of its issued shares from the open market for a total consideration of RM24,185 and retained the shares purchased as treasury shares.

A8. Dividend paid

During the financial quarter under review, a tax exempt special dividend of 2 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2016 was paid on 11 November 2016.

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A9. Segment information

Year ended 31 December 2016

	Property Development	Construction	Management, Investment & Others	Motor Racing Circuit	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
Sales	850,849	456,917	515,046	24,540	1,847,352
Less: Inter-segment sales	-	(391,463)	(462,271)	-	(853,734)
Total revenue	850,849	65,454	52,775	24,540	993,618
RESULTS					
Segment results	146,483	36,738	(18,393)	(6,914)	157,914
Interest income	9,540	-	1,897	95	11,532
Finance costs	(12,873)	(1,858)	(7,586)	(1,308)	(23,625)
Share of profit / (loss) in associated companies	-	738	(1,949)	-	(1,211)
Profit / (loss) before taxation	143,150	35,618	(26,031)	(8,127)	144,610
Taxation (expense) / credit	(47,396)	(8,501)	(5,190)	1,643	(59,444)
Net profit / (loss) for the financial year	95,754	27,117	(31,221)	(6,484)	85,166
Assets					
Additions to non-current assets	215,785	21,373	24,636	1,244	263,038
Segment assets	1,960,647	204,788	456,064	235,430	2,856,929
Other non-cash expenses					
Allowance for impairment loss on:					
- Available-for-sale financial assets	-	-	27,026	-	27,026
- Deposit written off	121	-	4	-	125
- Goodwill arising on consolidation	5,266	-	-	-	5,266
- Receivables	135	-	1,362	-	1,497
Bad debts written off	-	306	-	8	314
Depreciation of:					
- Investment properties	224	567	6	-	797
- Property, plant and equipment	2,321	2,226	1,100	10,601	16,248
Fair value loss on:					
- Financial assets at fair value through profit or loss	-	-	32	-	32
Loss on disposal of property, plant and equipment	41	-	-	-	41
Development costs written off	210	-	-	-	210
Property, plant and equipment written off	98	1	249	42	390
Share-based payment	-	-	2,574	-	2,574
Unrealised loss on foreign exchange	1	-	-	-	1
Other non-cash income					
Dividend income from:					
- Financial assets at fair value through profit or loss	-	-	(472)	-	(472)
Fair value gain on remeasurement of cost of investment in an associated company	-	-	(2,928)	-	(2,928)
Gain on disposal of:					
- Financial assets at fair value through profit or loss	-	-	(37)	-	(37)
- Investment properties	-	(376)	-	-	(376)
- Non-current assets classified as held for sale	-	-	(4,978)	-	(4,978)
- Property, plant and equipment	-	(1)	(327)	-	(328)
- Available-for-sale financial assets	-	-	(3,430)	-	(3,430)
Interest income from:					
- Financial assets measured at amortised cost	-	-	(1,490)	-	(1,490)
Reversal of allowance for impairment loss on receivable	-	-	-	(2)	(2)
Unrealised gain on foreign exchange	-	-	(2,110)	(166)	(2,276)

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A9. Segment information (cont'd)

Year ended 31 December 2015

	Property Development	Construction	Management, Investment & Others	Motor Racing Circuit	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
Sales	577,128	255,500	186,818	22,469	1,041,915
Less: Inter-segment sales	-	(188,186)	(173,433)	-	(361,619)
Total revenue	577,128	67,314	13,385	22,469	680,296
RESULTS					
Segment results	107,703	18,395	(1,419)	(13,720)	110,959
Interest income	4,543	2	12,688	109	17,342
Finance costs	(9,968)	(1,423)	(9,220)	(1,220)	(21,831)
Share of profit / (loss) in associated companies	-	2,008	(390)	-	1,618
Profit / (loss) before taxation	102,278	18,982	1,659	(14,831)	108,088
Taxation (expense) / credit	(32,566)	(4,948)	(1,739)	1,661	(37,592)
Net profit / (loss) for the financial year	69,712	14,034	(80)	(13,170)	70,496
Assets					
Additional investment in associated companies	50	45	1,129	-	1,224
Additions to non-current assets	235,139	8,028	12,137	2,623	257,927
Segment assets	1,688,647	105,687	395,014	245,430	2,434,778
Other non-cash expenses					
Allowance for impairment loss on:					
- Goodwill arising on consolidation	2,926	-	-	-	2,926
- Other investment	-	-	100	-	100
Bad debts written off	29	-	-	-	29
Depreciation of:					
- Investment properties	277	441	40	-	758
- Property, plant and equipment	1,606	1,400	384	14,156	17,546
Inventories written down	36	-	-	-	36
Investment in an associated company	-	-	3,578	-	3,578
Loss on disposal of property, plant and equipment	288	17	-	-	305
Property, plant and equipment written off	13	45	-	21	79
Share-based payment	-	-	3,140	-	3,140
Unrealised loss on foreign exchange	-	-	1,874	-	1,874
Other non-cash income					
Dividend income from:					
- Financial assets at fair value through profit or loss	-	-	(98)	-	(98)
Fair value gain on:					
- Financial assets at fair value through profit or loss	-	-	(26)	-	(26)
Gain on disposal of:					
- Available-for-sale financial assets	-	-	(588)	-	(588)
- Financial assets at fair value through profit or loss	(153)	-	(180)	-	(333)
Interest income from:					
- Financial assets measured at amortised cost	-	-	(12,234)	-	(12,234)
Reversal of allowance for impairment loss					
on receivables	(13)	-	-	-	(13)
Unrealised gain on foreign exchange	(2)	-	-	(30)	(32)
Waiver of debts	(14)	-	-	-	(14)

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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 November 2016, LBS Bina Holdings Sdn. Bhd. ("LBS"), a wholly owned subsidiary company of the Company had acquired One Thousand (1,000) ordinary shares of RM1.00 each in Nuevoprima Development Sdn. Bhd. ("NDSB") for a total cash consideration of Ringgit Malaysia One Thousand (RM1,000) only. Consequently, NDSB became a wholly owned subsidiary company of LBS.
- (ii) On 28 November 2016, MITC Sdn. Bhd. ("MITCSB"), an indirect subsidiary company of the Company had disposed of its Seven Hundred Fifty Thousand (750,000) ordinary shares of RM1.00 each representing 75% equity interest in MITC Engineering Sdn. Bhd. ("MITCE"), a company incorporated in Malaysia for a total consideration of Ringgit Malaysia Two Hundred Twenty Five Million (RM225,000,000) only to ML Global Berhad ("MGB"), a 56.43% owned subsidiary company of the Company. Consequently, MITCE became a wholly owned subsidiary company of MGB. The total Consideration was in form of 200,820,896 ordinary shares of RM0.50 each in MGB and 135,000,000 Irredeemable Convertible Preference Shares of RM0.50 each in MGB.
- (iii) On 19 October 2014, LBS had entered a share sale agreement to acquire an additional Twenty-Seven Thousand Five Hundred (27,500) ordinary share of RM1.00 each in Casa Inspirasi Sdn. Bhd. ("CISB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Ten Million (RM10,000,000) only. Upon condition precedent met on 5 December 2016, CISB became a 68% subsidiary company of LBS.
- (iv) On 19 December 2016, LBS had acquired Fifty One (51) ordinary shares of RM1.00 each in Induk Pelita Sdn. Bhd. ("IPSB") for a total cash consideration of Ringgit Malaysia Fifty One (RM51) only. Consequently, IPSB became a 51% owned subsidiary company of LBS.

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

A12. Material subsequent events

On 2 January 2017, LBS had acquired One Million Seven Hundred Forty Eight Thousand Sixty (1,748,060) ordinary shares of RM1.00 each representing 60% equity interest in Healthguard Medicare Sdn. Bhd. ("HMSB") for a total cash consideration of Ringgit Malaysia One (RM1.00) only. Consequently, HMSB became a 60% owned subsidiary company of LBS.

There were no other material subsequent events as at 20 February 2017, 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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A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 31 December 2016 were as follows:

	Amount RM'000
Approved and contracted for property development:	
- Sale and Purchase Agreements	50,445
- Joint Venture Agreements	544,889
Property, plant and equipment	528
	<u>595,862</u>

A14. Changes in contingent assets or contingent liabilities

	31.12.2016 RM'000	31.12.2015 RM'000
Bank guarantees issued for :		
- Property Development	41,306	14,973
- Construction Contracts	45	45
- Others	30	30
	<u>41,381</u>	<u>15,048</u>

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

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A15. Significant related party transactions

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

	Amount RM'000
Income	
Sale of development properties	1,965
Rental income	58
Rendering of insurance services	7
Expenses	
Contractors' fees	30,883
Equity instrument	71,300
Legal fees	236
Purchase of properties	470
Rental expenses	143
Rendering of services	112

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 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;
- (v) Directors and key management personnel of the Company or its subsidiary companies and their close family members; and
- (vi) An associated company of the Company.

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 RM322 million and RM55 million respectively. These represent 70% increase in revenue and 44% increase in PBT over the results recorded in the corresponding quarter in the year 2015.

For the financial year ended 31 December 2016, the Group recorded revenue and PBT of approximately RM994 million and RM145 million respectively. These represent 46% increase in revenue and 34% increase in PBT over the results recorded in the preceding year 2015.

The improved revenue and PBT for the current quarter and financial year ended 31 December 2016 were mainly attributable to the projects at Bandar Saujana Putra, D' Island Residence, Cameron Golden Hills, Bandar Putera Indah, Sinaran Mahkota, Midhills, Alam Awana and Desiran Bayu.

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 RM322 million and RM55 million respectively as compared to the revenue and PBT of approximately RM245 million and RM35 million respectively in the immediate preceding quarter.

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

B3. Prospects for the next financial year

The Group has achieved sales of RM1.24 billion in the year 2016.

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 16 ongoing projects, unbilled sales of approximately RM1.40 billion as at 31 January 2017 and new project launches in the year 2017, the Group is confident of achieving further improvement in its financial performance for the financial year ending 31 December 2017.

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 expense were as follows:-

	Individual Quarter		Cumulative Period	
	Current year Quarter 31.12.2016 RM'000	Preceding year Quarter 31.12.2015 RM'000	Current year To date 31.12.2016 RM'000	Preceding year To date 31.12.2015 RM'000
Current year tax provision	30,963	22,317	67,499	47,205
Under provision in prior years	1,878	572	3,993	2,678
Deferred taxation	(5,411)	(6,690)	(12,048)	(12,291)
Total tax expense	<u>27,430</u>	<u>16,199</u>	<u>59,444</u>	<u>37,592</u>

The effective tax rate of the Group for the current quarter and financial year were higher than the statutory tax rate of 24% 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 have not been completed as at 20 February 2017, 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 indirect wholly owned subsidiary company, Intellview Sdn. Bhd. had entered into a conditional Sale and Purchase Agreement ("SPA") with Laser Plus Sdn. Bhd. for the purchase 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 approximately 6.25 acres at the consideration sum of Ringgit Malaysia Seventy Two Million and Five Hundred Thousand (RM72,500,000) only.

The parties had subsequently entered into an agreement on 10 August 2016 ("Agreement") to amend and vary the provisions in the SPA. Accordingly, the Agreement herein shall supersede any other previous agreement entered by the parties including the abovementioned SPA.

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

- (ii) On 20 April 2014, the Company's indirect 75% owned subsidiary company, Koleksi Sigma Sdn. Bhd. had entered into a Joint Development Agreement with YPJ Multi Ventures Sdn. Bhd. 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.

B6. Status of corporate proposals announced but not completed (*cont'd*)

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 20 February 2017, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report :- (*cont'd*)

- (iv) On 10 September 2016, the Company's indirect 51% owned subsidiary company, Kemudi Ehsan Sdn. Bhd. ("KESB") together with Worldwide Property Management Sdn Bhd had entered into a Development Rights Agreement ("DRA") with Menteri Besar Selangor (Pemerbadanan) ("MBI") to accept the development rights for the development on 10 parcels of leasehold lands, all situated in Mukim Ijok, District of Kuala Selangor, in the State of Selangor ("Development Land"). Under the terms of the DRA, *inter alia*, KESB shall pay to MBI its portion of the Development Rights Value of Ringgit Malaysia Two Hundred Ninety Three Million and Three Hundred Fifteen Thousand (RM293,315,000) only for acquiring the development rights on the Development Land.

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

- (v) On 14 September 2016, the Company's indirect wholly owned subsidiary company, MITC Sdn. Bhd. ("MITC") had entered into a conditional share sale agreement ("SSA") with the Company's direct 51.18% owned listed subsidiary company, ML Global Berhad ("MGB"), for the disposal of 750,000 ordinary shares of RM1.00 each in MITC Engineering Sdn. Bhd. ("MITCE") ("MITCE Shares"), representing 75% equity interest in MITCE for a consideration of Ringgit Malaysia Two Hundred Twenty Five Million (RM225,000,000) ("Disposal Consideration") only (hereinafter referred to as "Proposed Disposal") which will be satisfied by the allotment and issuance of :-

- (a) 200,820,896 ordinary shares of RM0.50 each in MGB ("MGB Shares") ("Consideration OS") at an issue price of RM0.67 per Consideration OS to MITC; and
- (b) 135,000,000 new irredeemable convertible preference shares of RM0.50 each in MGB ("Consideration ICPS") at an issue price of RM0.67 per Consideration ICPS to MITC.

Additionally, in conjunction with the Proposed Disposal, MITC will undertake the proposed placement of up to 45,000,000 Consideration OS to third party investors who qualify under Schedules 6 or 7 of the Capital Markets and Services Act, 2007 ("CMSA") to be identified later prior to the listing of and quotation for the Consideration OS on the Main Market of Bursa Malaysia ("Proposed Placement").

The Proposed Disposal and Proposed Placement are collectively referred to as the "Proposals".

The Proposals are not subject to the approval of the shareholders of the Company and/or any authority. However, the Proposed Disposal is subject to the following approvals by MGB:-

- (a) the approval of Bursa Malaysia for the listing of and quotation for the Consideration OS and the new MGB Shares to be issued pursuant to the conversion of the Consideration ICPS on the Main Market of Bursa Malaysia;
- (b) the approval of MGB's shareholders at an extraordinary general meeting which was held on 28 November 2016 for MGB's proposed acquisition of the entire equity interest in MITCE and for MGB's proposed amendments to its Memorandum and Articles of Association to facilitate the issuance of the Consideration ICPS by MGB; and
- (c) the approval of the holders of MGB Warrants at a warrant holders' meeting which was held on 28 November 2016 for the proposed amendments to the deed poll dated 22 July 2014 constituting the MGB Warrants to facilitate the issuance of the Consideration ICPS by MGB.

B6. Status of corporate proposals announced but not completed (*cont'd*)

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 20 February 2017, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report :- (*cont'd*)

- (v) The SSA has become unconditional on 28 November 2016 upon fulfillment of all the conditions precedent of the SSA. In addition to this, the Proposed Disposal has been completed on 28 November 2016 with the granting of the Rights of Allotment and issuance of the Consideration ICPS by MGB to the Company in accordance with the terms of the SSA.

The Proposed Placement has been completed on 7 December 2016 with the listing of and quotation for the 45,000,000 Placement Shares on the Main Market of Bursa Securities on the same day. Following the completion of the Proposed Disposal and Proposed Placement, the Company's indirect interest in MITCE has reduced from 75% to 56.43%.

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 Limited and Lamdeal Golf & Country Club Limited 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 Promissory Note three months before the target receipt of each tranche of the Promissory Note.

Cash proceeds of HKD500 million and new Zhuhai Holdings shares have been received on the completion date. HKD500 million has been fully utilised in February 2015.

On 26 September 2014, the Board had announced the utilisation of proceeds for the first tranche of the Promissory Note of HKD250 million. Such sum has been received on 30 December 2014 and fully utilised in February 2016.

On 1 September 2015, the Board had announced the early receipt of HKD200 million from the second tranche of the Promissory Note. Such sum has been fully utilised in May 2016.

On 16 March 2016, the Board had announced the early receipt of HKD200 million from the third tranche of the Promissory Note and its intended plan for the utilisation of proceeds.

On 3 June 2016, the Board had announced the early receipt of HKD200 million from the final tranche of the Promissory Note and its intended plan for the utilisation of proceeds.

Other than the cash proceeds of HKD500 million which has been fully utilised in the year 2015, the status of the utilisation of first, second, third and final tranche of the Promissory Note as at 20 February 2017, 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:-

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

a) HKD250 million (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	1,2,3	121,951	54,976	(42,181)	12,795	-	-	1 year
Special dividend	1,2,3	78,049	35,184	(31,427)	3,757	-	-	1 month
Payment for trade and other payables	1,2,3	24,390	10,995	(36,837)	(25,842)	(25,842)	-235%	1 year
Operating expenses	1,2,3	25,610	11,545	(2,255)	9,290	-	-	1.5 years
	5	250,000	112,700	(112,700)	-	(25,842)	-235%	

b) HKD200 million (Tranche 2 of Promissory Note)

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Timeframe for utilisation	Explanations (deviation is 5% or more)
		HKD'000	RM'000	RM'000	RM'000	RM'000	%		
Reduction of bank borrowings	1,2,3	70,000	37,618	(21,867)	15,751	-	-	1 year	N/A
Special dividend	1,2,3	80,000	42,992	(31,931)	11,061	-	-	1 year	N/A
Payment for trade and other payables	1,2,3	30,000	16,122	(39,810)	(23,688)	(23,688)	-147%	1 year	6
Operating expenses	1,2,3	20,000	10,748	(13,872)	(3,124)	(3,124)	-29%	1 year	6
	5	200,000	107,480	(107,480)	-	(26,812)	-176%		

c) HKD200 million (Tranche 3 of Promissory Note)

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Timeframe for utilisation	Explanations (deviation is 5% or more)
		HKD'000	RM'000	RM'000	RM'000	RM'000	%		
Reduction of bank borrowings	1,2	100,000	53,270	(53,270)	-	-	-	1 year	N/A
Special dividend	1,2,4	80,000	42,616	(12,924)	29,692	-	-	1 year	N/A
Payment for trade and other payables	1,2,4	20,000	10,654	(10,654)	-	-	-	1 year	N/A
	5	200,000	106,540	(76,848)	29,692	-	-		

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

d) HKD200 million (Final Tranche of Promissory Note)

	Note	Proposed Utilisation HKD'000	Proposed Utilisation RM'000	Actual Utilisation RM'000	Proceeds Balance RM'000	Deviation		Timeframe for utilisation	Explanations (deviation is 5% or more)
						RM'000	%		
Reduction of bank borrowings	1,2	123,750	66,008	(66,008)	-	-	-	1 year	N/A
Special dividend	1,2,4	65,000	34,671	-	34,671	-	-	2 years	N/A
Operating expenses	1,2,4	11,250	6,001	(6,001)	-	-	-	1 year	N/A
	5	200,000	106,680	(72,009)	34,671	-	-		

Notes:

1) a) HKD250 million (Tranche 1)

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 (Tranche 2)

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

c) HKD200 million (Tranche 3)

Adopted the exchange rate of HKD1.00 : RM0.5327, being the closing rate as at 16 March 2016 published by Bank Negara.

d) HKD200 million (Final Tranche)

Adopted the exchange rate of HKD1.00 : RM0.5334, being the closing rate as at 3 June 2016 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 have been placed in short term deposits until such relevant expenses have been identified.

5) a) HKD250 million (Tranche 1)

Fully utilised in February 2016.

b) HKD200 million (Tranche 2)

Fully utilised in May 2016.

c) HKD200 million (Tranche 3)

Not yet fully utilised.

d) HKD200 million (Final Tranche)

Not yet fully utilised.

6) The excess fund arising after the special dividend payment and settlement of bank borrowings which is no longer required subsequently, have been utilised for the Group's project and / or operating expenses.

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B8. Borrowings and debt securities

Total Group borrowings and debt securities as at 31 December 2016 were as follows: -

	Secured RM'000
<u>Short term borrowings</u>	
Finance lease payables	2,108
Bank overdrafts	100,902
Bank borrowings	192,963
Total short term borrowings	<u>295,973</u>
<u>Long term borrowings</u>	
Finance lease payables	4,127
Bank borrowings	316,726
Total long term borrowings	<u>320,853</u>
Total borrowings	<u>616,826</u>

Currency exposure profile of borrowings were as follows:-

	Secured RM'000
Ringgit Malaysia	609,738
United States Dollar	7,088
	<u>616,826</u>

B9. Changes in material litigation

There was no material litigation as at 20 February 2017, 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 14 February 2017, the Company has declared a special dividend of 2 sen per ordinary share of RM1.00 each (Exempt from Income Tax) in respect of the financial year ended 31 December 2016, which the entitlement date and payment date have been fixed on 3 March 2017 and 17 March 2017, 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:-

	Current year to date 31.12.2016	Preceding year to date 31.12.2015
Net profit attributable to owners of the Parent (RM'000)	<u>85,628</u>	<u>76,074</u>
Weighted average number of ordinary shares in issue ('000)	<u>589,508</u>	<u>539,759</u>
Basic EPS (sen)	<u>14.53</u>	<u>14.09</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 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 the Warrants and ESOS granted, adjusted for the number of such shares that would have been issued at fair value:-

	Current year to date 31.12.2016	Preceding year to date 31.12.2015
Net profit attributable to owners of the Parent (RM’000)	<u>85,628</u>	<u>76,074</u>
Adjusted weighted average number of ordinary shares in issue (’000)	<u>615,853</u>	<u>579,500</u>
Diluted EPS (sen)	<u>13.90</u>	<u>13.13</u>

B12. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Current Year Quarter 31.12.2016 RM’000	Current Year To Date 31.12.2016 RM’000
Allowance for impairment loss on :		
- Available-for-sale financial assets	(27,026)	(27,026)
- Goodwill arising on consolidation	(4,543)	(5,266)
- Receivables	(1,497)	(1,497)
Bad debts written off	(306)	(314)
Deposit written off	(125)	(125)
Depreciation of :		
- Investment properties	(222)	(797)
- Property, plant and equipment	(4,557)	(16,248)
Development costs written off	-	(210)
Property, plant and equipment written off	(88)	(390)
Share-based payment	(446)	(2,574)
Net gain / (loss) on foreign exchange		
- Realised	3,782	(2,322)
- Unrealised	99	2,275
Dividend income from:		
- Financial assets at fair value through profit or loss	12	472
Fair value gain / (loss) on:		
- Financial assets at fair value through profit or loss	2	(32)
- Remeasurement of cost of investment in an associated company	-	2,928

LBS BINA GROUP BERHAD (518482-H)**B12. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)**

	Current Year Quarter 31.12.2016 RM'000	Current Year To Date 31.12.2016 RM'000
Gain / (Loss) on disposal of :		
- Available-for-sale financial assets	3,430	3,430
- Financial assets at fair value through profit or loss	2	37
- Investment properties	-	376
- Non-current assets classified as held for sale	-	4,978
- Property, plant and equipment	(69)	287
Interest income from:		
- Financial assets measured at amortised cost	-	1,490
Reversal of allowance for impairment loss on receivables	2	2
	<hr/>	<hr/>

B13. Realised and unrealised profits

	Unaudited 31.12.2016 RM'000	Audited 31.12.2015 RM'000
Total retained profits of the Company and its subsidiary companies:		
- Realised	865,076	684,493
- Unrealised	22,257	9,362
	<hr/>	<hr/>
	887,333	693,855
Total share of retained profits from associated companies:		
- Realised	2,114	3,325
	<hr/>	<hr/>
	889,447	697,180
Less : Consolidation adjustments	(411,762)	(232,014)
Total Group retained profits as per consolidated accounts	<hr/>	<hr/>
	477,685	465,166

The disclosure of realised and unrealised profits 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
27 February 2017