



LBS BINA GROUP BERHAD

Registration No: 200001015875 (518482-H)
(Incorporated in Malaysia)

Interim Financial Report

30 September 2023

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial period ended 30 September 2023

	Note	Unaudited Individual Quarter		Unaudited Cumulative Period	
		Current Year Quarter 30.09.2023 RM'000	Preceding Year Quarter 30.09.2022 RM'000	Current Year To date 30.09.2023 RM'000	Preceding Year To date 30.09.2022 RM'000
Revenue		471,485	528,889	1,231,736	1,348,282
Cost of sales		(342,935)	(377,111)	(869,754)	(961,121)
Gross profit		128,550	151,778	361,982	387,161
Interest income		2,728	1,090	5,363	3,660
Other income		3,411	3,345	15,627	13,353
Administrative and operating expenses		(53,766)	(78,427)	(156,825)	(192,088)
Finance costs		(17,745)	(14,595)	(51,148)	(41,774)
Share of profit of associates, net of tax		423	7	505	98
Profit before tax		63,601	63,198	175,504	170,410
Taxation	B5	(18,864)	(24,034)	(57,658)	(64,262)
Net profit for the financial period		44,737	39,164	117,846	106,148
Net profit for the financial period attributable to:					
Owners of the parent		40,214	35,350	103,720	100,638
Non-controlling interests		4,523	3,814	14,126	5,510
		44,737	39,164	117,846	106,148
Earnings per share attributable to owners of the parent (sen) :					
Basic	B10	2.11	1.78	5.73	5.48
Diluted	B10	2.11	1.78	5.73	5.48

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial period ended 30 September 2023 (*cont'd*)

	Unaudited Individual Quarter		Unaudited Cumulative Period	
	Current Year Quarter 30.09.2023 RM'000	Preceding Year Quarter 30.09.2022 RM'000	Current Year To date 30.09.2023 RM'000	Preceding Year To date 30.09.2022 RM'000
Net profit for the financial period	44,737	39,164	117,846	106,148
Other comprehensive income, net of tax:				
Exchange translation differences for foreign operations	414	8,045	1,377	16,911
Total comprehensive income for the financial period	<u>45,151</u>	<u>47,209</u>	<u>119,223</u>	<u>123,059</u>
Total comprehensive income for the financial period attributable to:				
Owners of the parent	40,970	45,100	107,764	121,093
Non-controlling interests	4,181	2,109	11,459	1,966
	<u>45,151</u>	<u>47,209</u>	<u>119,223</u>	<u>123,059</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 2022 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Note	Unaudited 30.09.2023 RM'000	Audited 31.12.2022 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	A10	57,479	44,228
Right-of-use assets		344,414	349,550
Capital work-in-progress		25,980	24,900
Inventories - land held for property development		1,366,227	1,297,812
Investment properties		190,708	191,822
Investment in associates		2,594	2,498
Trade receivables		2,454	3,068
Other investments		505	505
Goodwill on consolidation		66,596	66,184
Deferred tax assets		72,217	75,611
		2,129,174	2,056,178
Current assets			
Inventories - property development costs		344,048	418,425
Inventories - completed properties and others		94,428	122,703
Contract assets		584,433	638,371
Trade and other receivables		514,370	549,604
Tax recoverable		22,451	14,716
Deposits, cash and bank balances		477,192	365,111
		2,036,922	2,108,930
Assets held for sale		-	222
		2,036,922	2,109,152
TOTAL ASSETS		4,166,096	4,165,330
<u>EQUITY AND LIABILITIES</u>			
Equity			
Share capital		819,378	819,378
Redeemable Convertible Preference Shares ("RCPS")		103,509	103,509
Reserves		514,933	462,512
Treasury shares, at cost		(11,712)	(6,659)
Equity attributable to owners of the parent		1,426,108	1,378,740
Perpetual Sukuk Musharakah ("Perpetual Sukuk")		223,000	223,000
Non-controlling interests		161,494	153,085
TOTAL EQUITY		1,810,602	1,754,825

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2023 (cont'd)

	Note	Unaudited 30.09.2023 RM'000	Audited 31.12.2022 RM'000
LIABILITIES			
Non-current liabilities			
Trade and other payables		489,635	504,090
Borrowings	B7	285,541	271,964
Provision for retirement benefits		10,212	5,687
Deferred tax liabilities		35,059	35,957
		820,447	817,698
Current liabilities			
Contract liabilities		71,265	31,192
Trade and other payables		925,170	894,743
Borrowings	B7	521,869	645,275
Tax payable		16,742	21,597
		1,535,047	1,592,807
TOTAL LIABILITIES		2,355,494	2,410,505
TOTAL EQUITY AND LIABILITIES		4,166,096	4,165,330
Net assets per share attributable to owners of the parent (RM)		0.93	0.89

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (Registration No: 200001015875 (518482-H))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 September 2023 (The figures have not been audited)

	Attributable to owners of the parent									
	Non-distributable							-<Distributable->		
	Share capital RM'000	RCPS RM'000	Treasury shares RM'000	Foreign exchange reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Perpetual Sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1.1.2023	819,378	103,509	(6,659)	124,598	(335,016)	672,930	1,378,740	223,000	153,085	1,754,825
Amount recognised directly in equity:										
Net profit for the financial period	-	-	-	-	-	103,720	103,720	-	14,126	117,846
Foreign currency translation reserve	-	-	-	4,044	-	-	4,044	-	(2,667)	1,377
Total comprehensive income for the financial period	-	-	-	4,044	-	103,720	107,764	-	11,459	119,223
Transactions with owners:										
Changes in ownership interest in subsidiaries	-	-	-	-	(2,379)	-	(2,379)	-	(1,733)	(4,112)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	200	200
Striking off of a subsidiary	-	-	-	-	-	-	-	-	(296)	(296)
Dividend paid	-	-	-	-	-	(37,743)	(37,743)	-	-	(37,743)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,221)	(1,221)
Distribution to Perpetual Sukuk holders	-	-	-	-	-	(15,221)	(15,221)	-	-	(15,221)
Shares repurchased	-	-	(5,053)	-	-	-	(5,053)	-	-	(5,053)
Total transactions with owners	-	-	(5,053)	-	(2,379)	(52,964)	(60,396)	-	(3,050)	(63,446)
At 30.09.2023	819,378	103,509	(11,712)	128,642	(337,395)	723,686	1,426,108	223,000	161,494	1,810,602

LBS BINA GROUP BERHAD (Registration No: 200001015875 (518482-H))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 2023 (cont'd) (The figures have not been audited)

	← Attributable to owners of the parent →							←-Distributable->			
	Non-distributable										
	Share capital RM'000	RCPS RM'000	Treasury shares RM'000	ESOS reserve RM'000	Foreign exchange reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Perpetual Sukuk RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1.1.2022	819,378	103,509	(3,191)	4,170	123,039	(329,513)	590,474	1,307,866	223,000	176,550	1,707,416
Amount recognised directly in equity:											
Net profit for the financial period	-	-	-	-	-	-	100,638	100,638	-	5,510	106,148
Foreign currency translation reserve	-	-	-	-	20,455	-	-	20,455	-	(3,544)	16,911
Total comprehensive income for the financial period	-	-	-	-	20,455	-	100,638	121,093	-	1,966	123,059
Transactions with owners:											
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	150	150
Changes in equity interests in a subsidiary	-	-	-	-	-	(2,303)	-	(2,303)	-	(6,697)	(9,000)
Dividend paid	-	-	-	-	-	-	(28,849)	(28,849)	-	-	(28,849)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(7,642)	(7,642)
Distribution to Perpetual Sukuk holders	-	-	-	-	-	-	(15,193)	(15,193)	-	-	(15,193)
Realisation of Employees' Share Option Scheme ("ESOS") reserve	-	-	-	(4,170)	-	-	4,170	-	-	-	-
Shares repurchased	-	-	(1,199)	-	-	-	-	(1,199)	-	-	(1,199)
Total transactions with owners	-	-	(1,199)	(4,170)	-	(2,303)	(39,872)	(47,544)	-	(14,189)	(61,733)
At 30.09.2022	819,378	103,509	(4,390)	-	143,494	(331,816)	651,240	1,381,415	223,000	164,327	1,768,742

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 2022 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2023

	Unaudited Current Period Ended 30.09.2023 RM'000	Unaudited Preceding Period Ended 30.09.2022 RM'000
Operating Activities		
Profit before tax	175,504	170,410
Adjustments for:		
Non-cash items	38,194	24,229
Other operating items	39,239	33,650
Operating profit before working capital changes	<u>252,937</u>	<u>228,289</u>
Changes in working capital:		
Inventories - land and property development costs	19,975	139,867
Inventories - completed properties and others	25,978	59,663
Contract assets	53,938	(60,912)
Contract liabilities	40,074	(8,542)
Receivables	73,484	133,788
Payables	(8,104)	(28,263)
	<u>205,345</u>	<u>235,601</u>
Cash generated from operations	458,282	463,890
Dividends received	180	180
Interest received	5,363	3,660
Interest paid	(46,541)	(37,435)
Tax paid	(70,330)	(67,870)
Tax refunded	1,493	856
	<u>(109,835)</u>	<u>(100,609)</u>
Net cash from operating activities	<u>348,447</u>	<u>363,281</u>
Investing Activities		
Additional investment in:		
- An associate	-	(54)
- Subsidiaries	(3,359)	(9,000)
Capital work-in-progress incurred	(548)	(4,113)
Deposits and consideration paid for the acquisition and joint venture of development lands	(45,182)	(36,619)
Net cash (outflows) / inflows from disposal of a subsidiary	(53)	748
Net cash inflows / (outflows) from acquisition of a subsidiary	337	(941)
Proceeds from disposal of:		
- An associate	-	45
- Assets held for sale	50	-
- Financial assets measured at fair value through profit or loss ("FVTPL")	-	2,004
- Property, plant and equipment	557	347
- Right-of-use assets	165	368
Proceeds from acquisition of equity interest by non-controlling interests	200	150
Proceeds from share capital reduction	522	-
Purchase of:		
- Property, plant and equipment	(9,325)	(3,339)
- Right-of-use assets	(83)	(4,897)
Repayment of prior years' investment in subsidiaries	-	(1,973)
Net cash used in investing activities	<u>(56,719)</u>	<u>(57,274)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2023 (*cont'd*)

	Unaudited Current Period Ended 30.09.2023 RM'000	Unaudited Preceding Period Ended 30.09.2022 RM'000
Financing Activities		
Increase in fixed deposits pledged	(39,500)	(1,638)
(Increase) / Decrease in cash and bank balances pledged	(6,887)	3,729
Drawdown of:		
- Borrowings	362,938	549,008
- Sukuk Murabahah ("Sukuk")	20,000	5,000
Distribution to Perpetual Sukuk holders	(15,221)	(15,193)
Dividends paid to non-controlling interests	(1,221)	(7,642)
Dividends paid	(37,743)	(28,849)
Shares repurchased	(5,053)	(1,199)
Repayment of:		
- Borrowings	(467,304)	(650,577)
- Sukuk	(11,189)	(14,639)
- Lease liabilities	(12,631)	(6,972)
Net cash used in financing activities	<u>(213,811)</u>	<u>(168,972)</u>
Net increase in cash and cash equivalents	77,917	137,035
Effects of exchange translation differences on cash and cash equivalents	1,796	523
Cash and cash equivalents at the beginning of the financial period	261,531	178,788
Cash and cash equivalents at the end of the financial period	<u>341,244</u>	<u>316,346</u>
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	64,258	24,112
Cash held under Housing Development Accounts	284,867	235,662
Cash and bank balances	128,067	143,777
Bank overdrafts	<u>(63,729)</u>	<u>(61,170)</u>
	413,463	342,381
Less : Fixed deposits pledged with licensed banks	(64,082)	(23,940)
Cash and bank balances pledged	<u>(8,137)</u>	<u>(2,095)</u>
	<u>341,244</u>	<u>316,346</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 2022 and the accompanying explanatory notes attached to the interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 : *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Securities.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022. 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 2022.

A2. Changes in accounting policies

Basis of accounting

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group have been prepared under the historical cost convention unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards

Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Policies
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

The adoption of the new standards and amendments to standards 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 standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

		<u>Effective dates for financial periods beginning on or after</u>
Amendments to MFRS 16	Lease Liability in Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intends to adopt the above new standards and amendments to standards, if applicable, when they become effective.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not subject to any qualification.

A4. Seasonal or cyclical factors

The business operations of the Group during the financial period under review have not been 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 financial period under review.

A6. Material changes in estimates

There were no material changes in estimates that have a material effect on the amounts reported for the current financial period.

A7. Debt and equity securities

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

Shares repurchased

The Company repurchased 12,016,800 of its ordinary shares in the open market for a total consideration of RM5,053,375 and retained as treasury shares of the Company.

A8. Dividend paid

During the financial quarter under review, first interim single-tier dividend of 1.20 sen per ordinary share and final single-tier dividend of 1.25 sen per ordinary share in respect of the financial year ended 31 December 2022 were paid on 17 July 2023 and 14 September 2023 respectively.

A9. Segmental Reporting

Period ended 30 September 2023 (unaudited)

The segmental results for the current financial period are as follows:

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Motor Racing Circuit RM'000	Hotel RM'000	Others RM'000	Total RM'000
Revenue							
Total revenue	1,181,698	615,214	115,804	13,227	6,144	47,809	1,979,896
Less: Inter-segment revenue	-	(591,420)	(115,287)	-	(160)	(41,293)	(748,160)
Revenue from external customers	1,181,698	23,794	517	13,227	5,984	6,516	1,231,736
Financial Results							
Segment results	170,990	59,161	22,703	1,952	(996)	(2,206)	251,604
Interest income	4,174	373	279	473	-	64	5,363
Finance costs	(21,668)	(3,246)	(23,954)	(938)	(1,338)	(4)	(51,148)
Depreciation	(4,724)	(12,432)	(4,165)	(6,365)	(1,756)	(1,378)	(30,820)
Share of profit of associates, net of tax	-	132	-	-	-	373	505
Profit/(Loss) before tax	148,772	43,988	(5,137)	(4,878)	(4,090)	(3,151)	175,504
Taxation	(41,815)	(12,965)	(3,806)	1,275	-	(347)	(57,658)
Net profit/(loss) for the financial period	106,957	31,023	(8,943)	(3,603)	(4,090)	(3,498)	117,846
Assets							
Additions to non-current assets	72,726	24,780	1,863	689	828	106	100,992
Segment assets	3,167,192	210,875	354,633	211,472	76,664	145,260	4,166,096

Period ended 30 September 2022 (unaudited)

The segmental results for the preceding financial period are as follows:

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Motor Racing Circuit RM'000	Hotel RM'000	Others RM'000	Total RM'000
Revenue							
Total revenue	1,297,659	449,959	101,590	10,512	7,515	27,781	1,895,016
Less: Inter-segment revenue	-	(423,548)	(101,070)	-	-	(22,116)	(546,734)
Revenue from external customers	1,297,659	26,411	520	10,512	7,515	5,665	1,348,282
Financial Results							
Segment results	221,755	33,630	(16,235)	(2,217)	599	1,448	238,980
Interest income	2,874	187	113	457	-	29	3,660
Finance costs	(19,015)	(3,378)	(17,066)	(958)	(1,355)	(2)	(41,774)
Depreciation	(4,772)	(11,443)	(4,362)	(6,774)	(1,704)	(1,499)	(30,554)
Share of profit/(loss) of associates, net of tax	-	116	-	-	-	(18)	98
Profit/(Loss) before tax	200,842	19,112	(37,550)	(9,492)	(2,460)	(42)	170,410
Taxation	(56,329)	(8,079)	(1,175)	1,304	-	17	(64,262)
Net profit/(loss) for the financial period	144,513	11,033	(38,725)	(8,188)	(2,460)	(25)	106,148
Assets							
Additional investment in associates	-	-	54	-	-	-	54
Additions to non-current assets	111,056	6,538	3,021	1,868	184	344	123,011
Segment assets	3,233,570	249,466	343,925	214,730	76,990	143,863	4,262,544

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

There were no changes in the composition of the Group during the current quarter except for the followings:

- (i) On 6 July 2023, the Company's direct 60% owned dormant subsidiary, SPJ Construction Sdn. Bhd. ("SPJ") has been placed under Members' Voluntary Winding-up pursuant to Section 439 (1)(b) of the Companies Act 2016.

The Members' Voluntary Winding-up of SPJ will not have any material impact on the net assets and earnings per share of the Group for the financial year ending 31 December 2023.

- (ii) On 7 July 2023, LBS Bina Holdings Sdn. Bhd. ("LBS Bina") had subscribed for 100 ordinary shares in Central Valley Ventures Sdn. Bhd. ("CVVSB") for a total cash consideration of RM100 only. Consequently, CVVSB became a wholly-owned subsidiary of LBS Bina.

- (iii) On 31 July 2023, the Company has undertaken internal restructuring whereby LBS Bina has disposed of all its equity interest in LBS Healthcare Sdn. Bhd. ("LHSB") for a total cash consideration of RM100 only.

LBS Wellness Holdings Sdn. Bhd. ("LWHSB"), a direct wholly-owned subsidiary of the Company, acquired 60 ordinary shares, representing 60% equity in LHSB for a cash consideration of RM60 only. Consequently, LHSB became a 60% owned subsidiary of LWHSB.

On 1 August 2023, LHSB had increased its paid-up share capital from 100 to 500,000 ordinary shares and LWHSB has subscribed for an additional 299,940 ordinary shares for a total cash consideration of RM299,940 and LHSB remained as a 60% owned subsidiary of LWHSB.

- (iv) On 16 August 2023, LBS Bina acquired 30 ordinary shares, representing 30% equity interest in STP Desa Pembangunan Sdn. Bhd. ("SDPSB") for a total cash consideration of RM30.00 only. Consequently, SDPSB became a wholly-owned subsidiary of LBS Bina.

- (v) On 15 September 2023, LBS Bina disposed of 30% equity interest in CVVSB for a total cash consideration of RM30 only. Consequently, CVVSB became a 70% owned subsidiary of LBS Bina.

A12. Material events subsequent to the end of financial period

- (i) On 10 October 2023, MGB International for Industry (“MII”), a wholly-owned subsidiary of MGB Construction Sdn. Bhd. (“MCSB”), an indirect wholly-owned subsidiary of the MGB Berhad (“MGB”), an indirect 58.65% listed subsidiary of the Company, had increased its paid-up share capital from 12,500 to 412,500 ordinary shares of SAR 10 each share. MCSB has subscribed for an additional 400,000 ordinary shares in MII for a total cash consideration of SAR4,000,000 (approximately RM5,042,400) only.
- (ii) On 14 November 2023, the Company had lodged an Islamic Medium Term Notes (“Sukuk Wakalah”) programme of up to RM750 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”) with the Securities Commissions Malaysia (“SC”).

Further relevant details are disclosed in B6 (xiv) to the interim financial report.

There were no material subsequent events as at 14 November 2023, being the latest practicable date, which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 30 September 2023 were as follows:

	Amount RM'000
Approved and contracted for:	
a) Property development lands	525,904
b) Construction of right-of-use assets	51,032
c) Acquisition of property, plant and equipment	1,227
	<u>578,163</u>

A14. Contingent assets or contingent liabilities

	30.09.2023 RM'000	30.09.2022 RM'000
Bank guarantees for:		
- Property development	116,562	39,057
- Others	<u>35</u>	<u>55</u>
	<u>116,597</u>	<u>39,112</u>

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

A15. Significant related party transactions

The significant related party transactions during the current financial period were summarised as below:

	Amount RM'000
Income	
Rental income	5
Sale of development properties	851
Expenses	
Contractors' fees	9,566
Dividends paid	20,586
Equity instrument	4,100
Lease expenses	9
Profit sharing to landowner	121
Rendering of services	1,218

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

- (i) A company in which certain Directors of the Company and its subsidiaries has financial interest;
- (ii) A person or companies that have financial interest in the subsidiaries;
- (iii) Directors or key management personnel of the subsidiaries of the Company and their close family members;
- (iv) An associate of the Company; and
- (v) A substantial shareholder of the Company.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group performance

The performance of the respective operating business segments is analysed as follows:

	Individual Quarter			Cumulative Period		
	Current Year	Preceding	Changes	Current Year	Preceding Year	Changes
	Quarter	Year Quarter		To date	To date	
	30.09.2023	30.09.2022	%	30.09.2023	30.09.2022	%
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Property Development	453,123	512,187	-12%	1,181,698	1,297,659	-9%
Construction and Trading	226,894	145,788	56%	615,214	449,959	37%
Management and Investment	33,078	68,721	-52%	115,804	101,590	14%
Motor Racing Circuit	4,627	3,861	20%	13,227	10,512	26%
Hotel	2,913	3,133	-7%	6,144	7,515	-18%
Others	16,523	11,953	38%	47,809	27,781	72%
	<u>737,158</u>	<u>745,643</u>	-1%	<u>1,979,896</u>	<u>1,895,016</u>	4%
Less: Inter-segment revenue	<u>(265,673)</u>	<u>(216,754)</u>	-23%	<u>(748,160)</u>	<u>(546,734)</u>	-37%
	<u>471,485</u>	<u>528,889</u>	-11%	<u>1,231,736</u>	<u>1,348,282</u>	-9%
Profit/(Loss) before tax						
Property Development	55,884	80,613	-31%	148,772	200,842	-26%
Construction and Trading	14,145	5,266	169%	43,988	19,112	130%
Management and Investment	(3,896)	(19,645)	80%	(5,137)	(37,550)	86%
Motor Racing Circuit	(1,491)	(2,524)	41%	(4,878)	(9,492)	49%
Hotel	(720)	(507)	-42%	(4,090)	(2,460)	-66%
Others	(321)	(5)	-6320%	(3,151)	(42)	-7402%
	<u>63,601</u>	<u>63,198</u>	1%	<u>175,504</u>	<u>170,410</u>	3%

For the current quarter ("3Q2023"), the Group recorded revenue of RM471 million and profit before tax ("PBT") of RM64 million as compared to revenue of RM529 million and PBT of RM63 million in the previous year corresponding quarter.

For the nine months ended 30 September 2023 ("PTD2023"), the Group achieved revenue of RM1.23 billion and PBT of RM176 million as compared to revenue of RM1.35 billion and PBT of RM170 million in the corresponding period last year.

The analysis of the performance of the respective operating business segment for the PTD2023 is as follows:

Property Development

For the PTD2023, Property Development segment recorded revenue of RM1.2 billion and PBT of RM148.8 million respectively as compared to revenue of RM1.3 billion and PBT of RM200.8 million in the corresponding period last year.

Revenue and PBT were mainly derived from the key development projects at KITA @ Cybersouth, LBS Alam Perdana, Bukit Jalil projects, Idaman projects and Prestige Residence.

The decrease in revenue and PBT were mainly due to certain development projects were near their completion before vacant possession and completion of Skylake Residence in 3Q2022.

Development projects within the Klang Valley remained as the largest revenue and PBT contributor, where their revenue accounted for more than 89% of the Group's revenue for the current financial period.

B1. Review of Group performance (cont'd)

Construction and Trading

For the PTD2023, Construction and Trading segment achieved revenue and PBT of RM615 million and RM44 million respectively as compared to revenue of RM450 million and PBT of RM19 million in the corresponding period last year.

The revenue was primarily contributed from in-house projects. The increase in revenue and PBT were mainly due to cost savings from completed construction contracts and cost optimisation.

Management and Investment

For the PTD2023, Management and Investment segment achieved revenue and loss before taxation ("LBT") of RM116 million and RM5 million respectively as compared to revenue of RM102 million and LBT of RM38 million in the corresponding period last year.

The improvement in revenue and LBT were mainly due to higher intra-group income from project management fees and interest.

Motor Racing Circuit

For the PTD2023, Motor Racing Circuit segment recorded revenue of RM13 million and LBT of RM5 million as compared to revenue of RM11 million and LBT of RM9 million in the corresponding period last year.

The improvement in revenue and LBT were mainly due to higher income from rental and corporate day events.

Hotel

For the PTD2023, Hotel operation recorded revenue of RM6 million and LBT of RM4.5 million as compared to revenue of RM7.5 million and LBT of RM2.5 million in the corresponding period last year.

The decrease in revenue and increase in LBT were mainly due to lower room occupancy rates. However, the room occupancy rates in 3Q2023 have improved tremendously due to school and public holidays and conducting more seminars, meetings, training and team building in the hotel.

Others

Others segment mainly comprises of retail mall and car park management, provision of treasury management and money lending services.

For the PTD2023, other segment recorded revenue of RM48 million and LBT of RM3 million as compared to revenue of RM28 million and LBT of RM42,000 in the corresponding period last year.

The improvement in revenue was mainly due to higher intra-group interest income from treasury management services, as well as increase in rental and car park income from retail mall.

The increase in LBT was mainly due to higher intra-group expenses in project management fees, finance cost and increase in other administrative expenses.

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B2. Material changes in the quarterly results compared to the results of the immediate preceding quarter

	Current Quarter 30.09.2023 RM'000	Immediate Preceding Quarter 30.06.2023 RM'000	Changes (%)
Revenue	471,485	375,393	26%
Profit before tax ("PBT")	63,601	57,180	11%

For the 3Q2023, the revenue increased 26% to RM471 million from RM375 million and PBT was 11% higher at RM64 million as compared with RM57 million in the immediate preceding quarter.

The improvement in revenue and PBT were mainly attributable to higher progressive site construction activities from its on-going projects and realisation of cost savings upon delivery of vacant possession on two completed projects in 3Q2023.

B3. Group's prospects for the current financial year

The Group has reported another commendable set of financial results of RM471 million in turnover and profit before tax of RM64 million for 3Q2023, as a result of better site construction activities in the key development projects at KITA @ Cybersouth, LBS Alam Perdana, Idaman projects and Prestige Residence, as well as realisation of cost savings upon delivery of vacant possession on two completed projects during the current quarter.

Despite the prospects of property's sector remains challenging, the Group has secured RM1.58 billion in new property sales as of 20 November 2023, with bookings in the pipeline, amounting to RM234 million that are poised for conversion. To-date, we have successfully launched projects valued at RM1.7 billion.

Furthermore, Budget 2024 introduced several new property measures including the allocation of RM546 million to continue the People's Housing Programme and the allocation of RM2.47 billion for people housing projects in 2024. These initiatives in Budget 2024 will be able to accelerate the economic growth of Malaysia and is expected to benefit the Group as a leader in delivering quality affordable housing.

As at 31 October 2023, the Group's future land bank stood at 2,791 acres which would keep the Group busy for the next ten to fifteen years and the Group's unbilled sales of RM2.2 billion is anticipated to significantly contribute to the earnings visibility over the next two to three years.

As of to-date, the Group has successfully completed a total of 10 projects, valued at RM2.4 billion, within the projected timeline.

These will boost the Group's cash position and profitability. As at 30 September 2023, the Group's cash and cash equivalents stood at RM341.2 million.

B3. Group's prospects for the current financial year (cont'd)

Our drive and commitment to elevating ESG standards in our business operations have been recognised by The Edge ESG Awards 2023. Both LBS Bina Group Bhd. and its subsidiary, MGB Bhd., clinched the silver award for ESG Excellence, in their respective categories. Moving forward, our commitment to ESG is further demonstrated in the following key strategies:

- (i) Developed a comprehensive roadmap towards achieving Net Zero Carbon Emissions by 2050 that outlines short, medium and long-term strategies, integrating ESG principles into our business strategy, making sustainability a pivotal consideration in our decision-making processes.
- (ii) Our success in securing a capacity of 28.67 megawatts via the Corporate Green Power Programme (CGPP) through a strategic collaboration with Setara Armada Sdn. Bhd., MWG Power Sdn. Bhd. and Ocean Solar Energy Sdn. Bhd. - renewable energy initiative that allows corporate consumers to virtually purchase solar energy from solar developers.

These strategies are instrumental in propelling our efforts toward a greener and more sustainable future that is aligned with the National Energy Transition Roadmap.

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 was as follows:

	Individual Quarter		Cumulative Period	
	Current year Quarter 30.09.2023 RM'000	Preceding year Quarter 30.09.2022 RM'000	Current year To date 30.09.2023 RM'000	Preceding year To date 30.09.2022 RM'000
Current tax provision	22,275	34,421	56,426	72,044
(Over)/Under provision in prior years	(169)	7,163	(169)	7,163
Deferred tax	(3,242)	(17,550)	1,401	(14,945)
Total tax expense	18,864	24,034	57,658	64,262

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 subsidiaries which cannot set off against taxable profits made by other subsidiaries, non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences.

B6. Status of corporate proposals

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report:

- (i) On 30 March 2020, the Company's direct subsidiary, LBS Bina established an Islamic Medium Term Notes ("Sukuk Murabahah") under the Sukuk Murabahah Programme ("Programme") of up to RM500 million in nominal value with a tenure of up to 20 years from the first issuance date.

As at 31 December 2022, LBS Bina made four issuances totalling RM105.5 million pursuant to the Programme in nominal value.

On 1 September 2023, LBS Bina made a fifth issuance of RM20.0 million pursuant to the Programme in nominal value.

As at 14 November 2023, LBS Bina redeemed Sukuk Murabahah totalling RM81.79 million in nominal value.

- (ii) The Company established a Perpetual Sukuk Musharakah Programme ("Perpetual Sukuk") of up to RM700 million in nominal value based on the Shariah principle of Musharakah.

The proceeds from the issuance of Perpetual Sukuk shall be utilised for Shariah-compliant purposes which include refinancing of existing financing / borrowings, capital expenditure, asset acquisition, working capital, general corporate purposes and defray fees, costs and expenses in relation to the issuance of Perpetual Sukuk.

As at 31 December 2022, the Company made two issuances totalling RM223 million in nominal value.

- (iii) On 31 March 2021, the Company's indirect subsidiary, Casa Inspirasi Sdn. Bhd. has entered into a Joint Venture Agreement with Majlis Daerah Cameron Highlands to develop a piece of land held under leasehold title of 99 years expiring on 29 May 2116, known as H.S.(D) 4908 PT 3288 in Mukim Tanah Rata, Daerah Cameron Highlands, Negeri Pahang, measuring approximately 51.52 acres.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

- (iv) On 8 April 2021, the Company's indirect subsidiary, Leapte Engineering Sdn. Bhd. has entered into a Reclamation and Development Agreement with State Government of Melaka for reclamation and development of the reclaimed land into an industry hub with port facilities measuring approximately 1,200 acres located at Tanjung Bruas, Bandar XLV, Daerah Melaka Tengah, Melaka.

On 6 October 2022, the Board of Directors of the Company announced that both parties have agreed to extend the Compliance Period (which is expiring on 7 October 2022) for another 12 months to 7 October 2023 for the fulfillment of the Conditions Precedent as stipulated in the Reclamation and Development Agreement dated 8 April 2021.

Further to the announcement made on 8 April 2021, 12 April 2021 and 6 October 2022, on 6 October 2023 the Board of Directors of the Company announce to extend the agreement, which was expiring on 7 October 2023 to 7 October 2024. A second supplemental agreement would be signed by both parties to reflect a change in land size, from 1,200 acres to 735 acres and cash consideration accordingly.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

- (v) On 21 March 2022, the Company entered into a Heads of Agreement (“HOA”) with Ancom Berhad, Nylex (Malaysia) Berhad, Sinar Bina Infra Sdn. Bhd. (“SBI”) and BTS Group Holdings Public Company Limited (“BTS”) for the collaboration to build and operate a light rail transport (“LRT”) system connected with the railway shuttle link currently being built from Singapore to Johor Bahru, with an integrated property development using the “Transit-Oriented Development” concept in Johor Bahru metropolitan region.

The HOA is subject to the completion of a feasibility study to be conducted by BTS and professional consultants, the grant of the LRT Project concessions by the state government of Johor to SBI and signing of definitive agreements.

On 21 March 2023, the Board of Directors of the Company announced to extend the agreement, which is expiring on 21 March 2023 for another 3 months to 21 June 2023.

Further to the announcement made on 21 March 2023, on 21 June 2023, the Company announced to extend the agreement, which is expiring on 21 June 2023 to 31 January 2024.

- (vi) On 22 July 2022, the Company’s indirect 69% owned subsidiary, Casa Inspirasi Sdn. Bhd. has entered into a Sale and Purchase Agreement (“SPA”) with Perbadanan Setiausaha Kerajaan Pahang (“PSKP”) to purchase two (2) pieces of leasehold lands held under H.S.(D) 19366 PT 24508 measuring approximately 61.65 acres and H.S.(D) 19365 PT24507 measuring approximately 248.30 acres in Mukim Bentong, District of Bentong, Negeri Pahang.

On 5 September 2023, the Company announced that PSKP has agreed to extend the period to fulfill the Conditions Precedent pursuant to the terms of the SPA to 21 July 2024.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

- (vii) On 14 December 2022, Retro Court Sdn. Bhd. (“RCSB”), a wholly-owned indirect subsidiary of MGB Berhad (“MGB”), a listed subsidiary of the Company, entered into a Framework Agreement (“FA”) with Invest Energy Sdn. Bhd. (“IESB”) for collaboration to explore the potential design, finance, operation, use, and/or maintenance of clean energy solutions such as green energy (including but not limited to all types of renewable energy and energy efficiency solutions such as solar, biogas, biomass and/or combined heat and power) located at Kerteh Terengganu Industrial Park.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

- (viii) On 1 April 2023, the Company entered into a Memorandum of Understanding (“MOU”) with Sany Group Co., Ltd (“Sany”) to form the basis of understanding and to combine the respective efforts to collaborate and co-operate with each other for the following proposed projects: -

- (i) To jointly explore the proposal of using Sany Construction Engineering’s latest structural system (“SPCS”) for the development of 10,000 units of property across Asia (“Property Project”). The total project value of the Property Project is approximately RM3 billion; and

- (ii) To jointly explore, research and plan for an Intelligent Deep-Water Port in Malacca by using Sany’s expertise in Artificial Intelligence (“AI”) manufacturing and port management technology to build a One-Stop Industrial 4.0 Hub Port in Malacca Waterfront Economic Zone (M-WEZ) comprising of free trade zones and oil and liquified natural gas industrial park, logistic and warehousing intelligent manufacturing, ship maintenance and other port-related business (“Port Project”). The total investment value of the Port Project is approximately RM8 billion.

The Company and Sany shall be collectively referred to as the “Parties”.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

- (viii) On 1 April 2023, the Company entered into a Memorandum of Understanding (“MOU”) with Sany Group Co., Ltd (“Sany”) to form the basis of understanding and to combine the respective efforts to collaborate and co-operate with each other for the following proposed projects: - (cont'd)

The MOU shall be effective from the date of MOU and valid for a period of one year with an automatic extension for a further period of one year (“Validity Period”). The MOU is only valid as per the Validity Period, unless extended or renewed by mutual agreement of the Parties in writing.

- (ix) On 5 July 2023, the Company’s indirect wholly-owned subsidiary, Sejuta Bina Sdn. Bhd. has entered into a Joint Venture Agreement with Saga Tunas Sdn. Bhd. to jointly develop six (6) pieces of freehold vacant Malay Reserve Lands held under Geran Mukim 2503 (Lot 2735), Geran Mukim 2243 (Lot 2739), Geran Mukim 863 (Lot 2734), Geran Mukim 2516 (Lot 4101), Geran Mukim 2242 (Lot 2738) and Geran Mukim 509 (Lot 2742), with total land area measuring approximately 6.97 acres in Mukim Kuala Lumpur, Tempat Sungai Penchala, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur.

This Agreement has not been completed as the Conditions Precedent therein have not been complied.

- (x) On 6 July 2023, the Company’s direct 60% owned dormant subsidiary, SPJ Construction Sdn. Bhd. (“SPJ”) has been placed under Members’ Voluntary Winding-up pursuant to Section 439 (1)(b) of the Companies Act 2016.

The Members' Voluntary Winding-up of SPJ will not have any material impact on the net assets and earnings per share of the Group for the financial year ending 31 December 2023.

- (xi) On 27 July 2023, MGB’s indirect wholly-owned subsidiary, MGB International for Industry (“MII”) had entered into a Joint Venture Agreement (“JVA”) with SANY Alameriah Industrial (“SA”), a limited liability company incorporated at Kingdom of Saudi Arabia, to outline the obligations and responsibilities of each party to collaborate and co-operate with each other by way of a joint venture as set out below:

- (i) SA is desirous of securing Supply and Installation Contracts for a total aggregate minimum amount of Two Hundred Seventy Thousand Cubic Metres (270,000 m³) of precast concrete products within three (3) years from the Commencement Date. The Commencement Date is the date which SA and MII have fulfilled their obligations as provided in the JVA during ninety (90) working days transition period starting from the Effective Date, ie. 27 July 2023.
- (ii) During the first year from the Commencement Date, SA needs to secure a minimum order of Ninety Thousand Cubic Metres (90,000 m³) of precast concrete products from the clients to supply and install precast concrete products (“Supply and Installation of Precast Concrete”).
- (iii) SA is desirous of collaborating with MII for MII to operate SA’s precast concrete factory located at Al Lith RD, Jeddah 3rd Industrial City, Jeddah, Kingdom of Saudi Arabia (“Factory”) [“Operation of Factory”] for the production of precast concrete products and works to be carried out by MII pursuant to the purchase orders issued by SA to MII for the installation of precast concrete products within the Kingdom of Saudi Arabia (“Installation Works”) to cater for the Supply and Installation Contract.

This Agreement has not been completed as the obligations and responsibilities of each party therein have not been fulfilled.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

- (xii) On 6 October 2023, the Company signed a Letter of Intent (“LOI”) with Malaysian Green Technology and Climate Change Corporation (“MGTC”), MGB and Midwest Green Sdn. Bhd. (“Midwest”) with the objective of aiming to promote coloration and innovative renewable energy projects in Malaysia.

The Company, MGTC, MGB and Midwest collectively referred to as the “Parties”.

The LOI serves as general framework for potential cooperation among the Parties and has no legal binding effect. The LOI shall take immediate effect with no expiry date.

Upon finalization of the term of the collaboration by the Parties, the Parties shall enter into a definitive agreement to record their mutual terms in the Proposal Innovative Solar Farm project.

- (xiii) On 21 October 2023, MGB had entered into a Memorandum of Understanding (“MOU”) and Non-Disclosure Agreement with Almqr Development Co. (“Almqr”), a joint-closed stock company incorporated at Kingdom of Saudi Arabia and Alameriah Real Estate Development Company (“Alameriah”), a limited liability company incorporated at Kingdom of Saudi Arabia, for the purpose to explore the cooperation and investment opportunities in Almadina Almonawara relating to the pioneering, innovative, and distinctive projects, and other projects that have a developmental and social goals.

The MOU is subject to terms and conditions as stipulated in the MOU.

- (xiv) On 14 November 2023, the Company had lodged an Islamic Medium Term Notes (“Sukuk Wakalah”) programme of up to RM750 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”) with the Securities Commissions Malaysia (“SC”).

The Sukuk Wakalah Programme has been structured with a perpetual tenure, each Sukuk Wakalah to be issued will have a tenure of more than one year.

Sukuk Wakalah

The proceeds raised from the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme shall be utilised by the Company and its subsidiaries for the following purposes:

- (i) finance Shariah-compliant capital expenditure, investment, general corporate purposes, working capital requirements of the Company and/or its subsidiaries;
- (ii) refinance any existing financing/borrowings and/or future Shariah-compliant financing of the Company and/or its subsidiaries (including redemption of outstanding sukuk);
- (iii) pre-fund the minimum required balance in the applicable finance service reserve account; and/or
- (iv) defray any fees, costs and expenses in relation to the establishment of the Sukuk Wakalah Programme and issuance of Sukuk Wakalah under the Sukuk Wakalah Programme.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

- (xiv) On 14 November 2023, the Company had lodged an Islamic Medium Term Notes (“Sukuk Wakalah”) programme of up to RM750.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”) with the Securities Commissions Malaysia (“SC”). (cont'd)

Sustainability Sukuk Wakalah

The Sukuk Wakalah Programme also provides flexibility for the Company to issue Sustainability Sukuk Wakalah which is in compliance with amongst others, Green/Social/Sustainability/Sustainable and Responsible Investment (“SRI”) Sukuk guidelines, frameworks, standards or principles issued by the SC, the ASEAN Capital Markets Forum or the International Capital Market Association (“Sustainability Guidelines/Frameworks”).

Sustainability Financing Framework

The Company has also established a Sustainability Financing Framework, which has been assigned a “Gold” Impact Bond Assessment by MARC.

Proceeds raised from the issuance of Sustainability Sukuk Wakalah shall be utilised for eligible projects as outlined in the Company’s Sustainability Financing Framework, which is consistent with the applicable Sustainability Guidelines/Frameworks.

B7. Borrowings and debt securities

The Group borrowings and debt securities were as follows:

Period ended 30.09.2023

	<u>Long-term</u> RM'000	<u>Short-term</u> RM'000	<u>Total borrowings</u> RM'000
<u>Secured</u>			
Bank overdrafts	-	63,729	63,729
Lease liabilities	11,980	13,883	25,863
Borrowings	233,932	419,805	653,737
Sukuk	39,629	24,452	64,081
Total borrowings	<u>285,541</u>	<u>521,869</u>	<u>807,410</u>

B8. Material litigation

There was no material litigation as at 14 November 2023, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report.

B9. Dividend declared

No dividend has been declared for the quarter under review.

B10. Earnings per share (“EPS”)

Basic EPS

The basic earnings per share are calculated based on the consolidated profit for the financial period attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial period as follows:

	Current Period to Date 30.09.2023	Preceding Period to Date 30.09.2022
Adjusted net profit attributable to ordinary equity holders (RM'000)	<u>88,499</u>	<u>85,445</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,543,653</u>	<u>1,559,727</u>
Basic EPS (sen)	<u>5.73</u>	<u>5.48</u>

Diluted EPS

Diluted earnings per share are calculated based on the consolidated profit for the financial period attributable to the owners of the parent and the weighted average number of ordinary shares issued and issuable during the financial period have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Current Period to Date 30.09.2023		Preceding Period to Date 30.09.2022	
Adjusted net profit attributable to ordinary equity holders (RM'000)	<u>88,499</u>		<u>85,445</u>	
Adjusted weighted average number of ordinary shares in issue ('000)	<u>1,543,653</u>	#	<u>1,559,727</u>	#
Diluted EPS (sen)	<u>5.73</u>		<u>5.48</u>	

The number of shares under RCPS was not taken into account in the computation of diluted earnings per share as the RCPS does not have any dilutive effect on the weighted average number of ordinary shares. The Company's ESOS has expired on 17 September 2022.

LBS BINA GROUP BERHAD (Registration No: 200001015875 (518482-H))**B11. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Current Year Quarter 30.09.2023 RM'000	Current Year To Date 30.09.2023 RM'000
Allowance for impairment losses on:		
- Assets held for sale	-	172
- Goodwill arising on consolidation	117	132
- Receivables	267	1,324
Depreciation of:		
- Investment properties	684	2,053
- Property, plant and equipment	3,593	9,774
- Right-of-use assets	6,479	18,993
Fair value adjustment on trade receivables	(6)	94
Grant income	-	5,225
Property development costs written off	264	940
Property, plant and equipment written off	53	171
Provision for retirement benefits	1,508	4,525
Provision for staff economic compensation	-	4
Waiver of interest income	7	69
Net foreign exchange loss	89	16
Contingency sum accrued in prior years no longer required	(50)	(3,701)
Gain on remeasurement of previously held equity interest	-	(8)
Gain on strike off of subsidiaries	(245)	(245)
Net loss / (gain) on disposal of:		
- Property, plant and equipment	(42)	(525)
- Right-of-use assets	-	(165)
- Subsidiary	(14)	(14)
Reversal of allowance for impairment losses on:		
- Investment in an associate	-	(304)
- Receivables	(242)	(1,052)

By Order of the Board,

Dato' Lim Mooi Pang
Executive Director

Petaling Jaya, Selangor Darul Ehsan
21 November 2023