



LBS BINA GROUP BERHAD

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

Interim Financial Report

30 June 2024

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial period ended 30 June 2024

	Note	Unaudited Individual Quarter		Unaudited Cumulative Period	
		Current Year Quarter 30.06.2024 RM'000	Preceding Year Quarter 30.06.2023 RM'000	Current Year To date 30.06.2024 RM'000	Preceding Year To date 30.06.2023 RM'000
<u>Continuing operations</u>					
Revenue		431,852	370,746	770,128	751,650
Cost of sales		(297,124)	(255,643)	(521,614)	(524,046)
Gross profit		134,728	115,103	248,514	227,604
Interest income		4,095	1,109	6,445	2,326
Other income		3,212	8,369	6,820	12,008
Administrative and operating expenses		(59,955)	(49,361)	(109,756)	(93,897)
Finance costs		(14,738)	(16,479)	(30,132)	(32,780)
Share of profit of associates, net of tax		133	90	310	82
Profit before tax		67,475	58,831	122,201	115,343
Taxation	B5	(24,387)	(20,871)	(42,689)	(39,644)
Profit from continuing operations		43,088	37,960	79,512	75,699
<u>Discontinued operations</u>					
Loss from discontinued operations		(179)	(1,223)	(1,396)	(2,590)
Net profit for the financial period		42,909	36,737	78,116	73,109
Net profit/(loss) for the financial period attributable to:					
Owners of the parent					
- Continuing operations		34,752	33,754	66,030	65,081
- Discontinued operations		(113)	(743)	(862)	(1,575)
Non-controlling interests					
- Continuing operations		8,336	4,206	13,482	10,618
- Discontinued operations		(66)	(480)	(534)	(1,015)
		42,909	36,737	78,116	73,109

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
For the financial period ended 30 June 2024 (*cont'd*)

		Unaudited		Unaudited	
		Individual Quarter		Cumulative Period	
		Current Year Quarter 30.06.2024 RM'000	Preceding Year Quarter 30.06.2023 RM'000	Current Year To date 30.06.2024 RM'000	Preceding Year To date 30.06.2023 RM'000
Earnings per share attributable to owners of the parent (sen) :					
Basic					
- Continuing operations	B10	2.25	2.18	3.79	3.72
- Discontinued operations		(0.01)	(0.04)	(0.06)	(0.10)
Total		<u>2.24</u>	<u>2.14</u>	<u>3.73</u>	<u>3.62</u>
Diluted					
- Continuing operations	B10	2.25	2.18	3.79	3.72
- Discontinued operations		(0.01)	(0.04)	(0.06)	(0.10)
Total		<u>2.24</u>	<u>2.14</u>	<u>3.73</u>	<u>3.62</u>
Net profit for the financial period		42,909	36,737	78,116	73,109
Other comprehensive income, net of tax:					
Exchange translation differences for foreign operations					
- Continuing operations		643	(39)	831	(28)
- Discontinued operations		(163)	237	696	991
Total comprehensive income for the financial period		<u>43,389</u>	<u>36,935</u>	<u>79,643</u>	<u>74,072</u>
Total comprehensive income for the financial period attributable to:					
Owners of the parent					
- Continuing operations		34,755	33,715	57,885	65,053
- Discontinued operations		340	1,540	10,081	1,741
Non-controlling interests					
- Continuing operations		8,336	4,206	13,482	10,618
- Discontinued operations		(42)	(2,526)	(1,805)	(3,340)
		<u>43,389</u>	<u>36,935</u>	<u>79,643</u>	<u>74,072</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 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	Unaudited 30.06.2024 RM'000	Audited 31.12.2023 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	A10	44,451	53,820
Right-of-use assets		209,398	351,854
Capital work-in-progress		37,483	25,183
Inventories - land held for property development		1,360,170	1,301,414
Investment properties		188,456	189,824
Investment in associates		2,264	2,254
Trade receivables		3,818	6,020
Other investments		476	476
Goodwill on consolidation		55,514	55,514
Deferred tax assets		98,350	88,872
		2,000,380	2,075,231
Current assets			
Inventories - property development costs		512,492	466,768
Inventories - completed properties and others		93,553	95,659
Contract assets		407,943	456,692
Trade and other receivables		503,880	449,198
Other investments		10,000	-
Tax recoverable		27,785	19,213
Deposits, cash and bank balances		873,359	707,662
		2,429,012	2,195,192
Assets of disposal group classified as held for sale		206,213	-
		2,635,225	2,195,192
TOTAL ASSETS		4,635,605	4,270,423
<u>EQUITY AND LIABILITIES</u>			
Equity			
Share capital		830,378	819,378
Redeemable Convertible Preference Shares ("RCPS")		92,509	103,509
Reserves		604,423	544,651
Treasury shares, at cost		(12,594)	(11,917)
Equity attributable to owners of the parent		1,514,716	1,455,621
Perpetual Sukuk Musharakah ("Perpetual Sukuk")		223,000	223,000
Non-controlling interests		180,477	166,810
TOTAL EQUITY		1,918,193	1,845,431

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2024 (cont'd)

	Note	Unaudited 30.06.2024 RM'000	Audited 31.12.2023 RM'000
<u>LIABILITIES</u>			
Non-current liabilities			
Trade and other payables		400,662	467,145
Borrowings	B7	448,376	211,508
Provision for retirement benefits		16,999	12,633
Deferred tax liabilities		5,948	34,944
		871,985	726,230
Current liabilities			
Contract liabilities		45,432	5,323
Trade and other payables		1,019,387	1,120,215
Borrowings	B7	584,548	556,715
Tax payable		35,047	16,509
		1,684,414	1,698,762
Liabilities of disposal group classified as held for sale		161,013	-
		1,845,427	1,698,762
TOTAL LIABILITIES		2,717,412	2,424,992
TOTAL EQUITY AND LIABILITIES		4,635,605	4,270,423
Net assets per share attributable to owners of the parent (RM)		0.98	0.95

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 June 2024 (The figures have not been audited)

	← Attributable to owners of the parent →									
	← Non-distributable →						←-Distributable->			
	Share capital	RCPS	Treasury shares	Foreign exchange reserve	Other reserves	Retained earnings	Sub-total	Perpetual Sukuk	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
At 1.1.2024	819,378	103,509	(11,917)	127,466	(337,549)	754,734	1,455,621	223,000	166,810	1,845,431
Amount recognised directly in equity:										
Net profit for the financial period	-	-	-	-	-	65,168	65,168	-	12,948	78,116
Foreign currency translation reserve	-	-	-	2,798	-	-	2,798	-	(1,271)	1,527
Total comprehensive income for the financial period	-	-	-	2,798	-	65,168	67,966	-	11,677	79,643
Transactions with owners:										
Changes in equity interest in a subsidiary	-	-	-	-	(592)	-	(592)	-	3,984	3,392
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,994)	(1,994)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	(7,602)	(7,602)	-	-	(7,602)
Issuance of ordinary shares by conversion of RCPS	11,000	(11,000)	-	-	-	-	-	-	-	-
Shares repurchased	-	-	(677)	-	-	-	(677)	-	-	(677)
	11,000	(11,000)	(677)	-	(592)	(7,602)	(8,871)	-	1,990	(6,881)
At 30.06.2024	830,378	92,509	(12,594)	130,264	(338,141)	812,300	1,514,716	223,000	180,477	1,918,193

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 June 2024 (*cont'd*) (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	-	-	-	-	-	63,506	63,506	-	9,603	73,109
Foreign currency translation reserve	-	-	-	3,288	-	-	3,288	-	(2,325)	963
Total comprehensive income for the financial period	-	-	-	3,288	-	63,506	66,794	-	7,278	74,072
Transactions with owners:										
Changes in equity interests in a subsidiary	-	-	-	-	(2,401)	-	(2,401)	-	(1,699)	(4,100)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(609)	(609)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	(7,613)	(7,613)	-	-	(7,613)
Shares repurchased	-	-	(4,957)	-	-	-	(4,957)	-	-	(4,957)
	-	-	(4,957)	-	(2,401)	(7,613)	(14,971)	-	(2,308)	(17,279)
At 30.06.2023	819,378	103,509	(11,616)	127,886	(337,417)	728,823	1,430,563	223,000	158,055	1,811,618

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 2023 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 June 2024

	Unaudited Current Period Ended 30.06.2024 RM'000	Unaudited Preceding Period Ended 30.06.2023 RM'000
Operating Activities		
Profit /(Loss) before tax		
- Continuing operations	122,201	115,343
- Discontinued operations	(2,276)	(3,440)
Adjustments for:		
Non-cash items	29,158	23,783
Other operating items	17,603	26,659
Operating profit before working capital changes	<u>166,686</u>	<u>162,345</u>
Changes in working capital:		
Inventories - land and property development costs	(103,810)	40,357
Inventories - completed properties and others	1,885	21,081
Contract assets	48,749	(140,782)
Contract liabilities	41,840	15,171
Receivables	(39,859)	123,360
Payables	(36,338)	(53,592)
	<u>(87,533)</u>	<u>5,595</u>
Cash generated from operations	<u>79,153</u>	<u>167,940</u>
Dividends received	300	180
Interest received	6,702	2,635
Interest paid	(25,551)	(30,429)
Tax paid	(41,788)	(42,150)
Tax refunded	15	271
	<u>(60,322)</u>	<u>(69,493)</u>
Net cash from operating activities	<u>18,831</u>	<u>98,447</u>
Investing Activities		
Additional investment in:		
- Financial assets measured at fair value through profit or loss ("FVTPL")	(10,000)	-
- Subsidiaries	-	(2,209)
Capital work-in-progress incurred	(23,513)	(369)
Deposits and consideration paid for the acquisition and joint venture of development lands	(21,533)	(18,735)
Net cash inflows from acquisition of a subsidiary	-	337
Proceeds from disposal of:		
- Assets held for sale	-	50
- Property, plant and equipment	4,366	515
- Right-of-use assets	390	165
Proceeds from acquisition of equity interest by non-controlling interests	150	-
Proceeds from share capital reduction	-	522
Purchase of:		
- Property, plant and equipment	(4,699)	(4,267)
- Right-of-use assets	(953)	-
Net cash used in investing activities	<u>(55,792)</u>	<u>(23,991)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 June 2024 (*cont'd*)

	Unaudited Current Period Ended 30.06.2024 RM'000	Unaudited Preceding Period Ended 30.06.2023 RM'000
Financing Activities		
Decrease / (Increase) in fixed deposits pledged	16,325	(24,189)
Increase in cash and bank balances pledged	(13,778)	(4,751)
Drawdown of borrowings	726,806	232,815
Distribution to holders of Perpetual Sukuk	(7,602)	(7,613)
Dividend paid to non-controlling interests	(1,994)	(609)
Shares repurchased	(677)	(4,957)
Repayment of borrowings	(396,092)	(269,576)
Net cash from/(used in) financing activities	<u>322,988</u>	<u>(78,880)</u>
Net increase/(decrease) in cash and cash equivalents	286,027	(4,424)
Effects of exchange translation differences on cash and cash equivalents	1,133	1,274
Cash and cash equivalents at the beginning of the financial period	554,829	261,531
Cash and cash equivalents at the end of the financial period	<u>841,989</u>	<u>258,381</u>
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	104,091	48,946
Cash held under Housing Development Accounts	473,925	187,952
Cash and bank balances	345,220	142,371
Bank overdrafts	(3,974)	(66,116)
	<u>919,262</u>	<u>313,153</u>
Less : Fixed deposits pledged with licensed banks	(56,657)	(48,771)
Cash and bank balances pledged	(20,616)	(6,001)
	<u>841,989</u>	<u>258,381</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 2023 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 2023. 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 2023.

A2. Changes in accounting policies

Basis of accounting policies

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 16	Lease Liability in Sale and Leaseback
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

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:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
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 2023 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

Save as disclosed below, there were no other unusual items affecting the assets, liabilities, equity, net income, or cash flows during the financial period under review:

The Group has reclassified the financial results of Lamdeal Investments Limited Group ("Lamdeal Group") as discontinued operations and assets/liabilities held for sale respectively. Further relevant details are disclosed in note A12(i) to this interim financial report.

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 1,015,000 of its ordinary shares in the open market for a total consideration of RM676,724 and retained as treasury shares of the Company.

Issuance of shares pursuant to the conversion of RCPS

A total of 10,000,000 RCPS were converted into ordinary shares at the conversion ratio of 11 new ordinary shares for 10 RCPS which have resulted in 11,000,000 ordinary shares being issued.

Debts issuances and repayment

On 14 May 2024, the Company has made a first issuance of Sukuk Wakalah totalling RM200.00 million in nominal value.

LBS Bina Holdings Sdn. Bhd. ("LBS Bina"), a direct wholly-owned subsidiary of the Company has made three issuances of Sukuk Murabahah totalling RM43.90 million in nominal value and out of which RM66.13 million of Sukuk Murabahah in nominal value has been redeemed.

A8. Dividend paid

There was no dividend paid during the financial quarter under review.

A9. Segmental Reporting

Period ended 30 June 2024

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	Hotel RM'000	Others RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Total RM'000
Revenue								
Total revenue	747,247	248,775	51,424	5,072	28,733	1,081,251	9,776	1,091,027
Less: Inter-segment revenue	-	(237,211)	(50,704)	(120)	(23,088)	(311,123)	-	(311,123)
Revenue from external customers	747,247	11,564	720	4,952	5,645	770,128	9,776	779,904
Financial Results								
Segment results	145,577	16,249	3,207	244	(1,280)	163,997	2,315	166,312
Interest income	5,342	351	615	-	137	6,445	256	6,701
Finance costs	(10,647)	(2,761)	(15,907)	(815)	(2)	(30,132)	(646)	(30,778)
Depreciation	(3,096)	(10,318)	(2,804)	(1,145)	(1,056)	(18,419)	(4,201)	(22,620)
Share of profit/(loss) of associates, net of tax	-	311	-	-	(1)	310	-	310
Profit/(Loss) before tax	137,176	3,832	(14,889)	(1,716)	(2,202)	122,201	(2,276)	119,925
Taxation	(35,740)	(5,746)	(1,168)	-	(35)	(42,689)	880	(41,809)
Net profit/(loss) for the financial period	101,436	(1,914)	(16,057)	(1,716)	(2,237)	79,512	(1,396)	78,116
Assets								
Additions to non-current assets	99,101	34,395	319	17	115	133,947	465	134,412
Segment assets	3,353,547	271,809	502,953	75,264	225,819	4,429,392	206,213	4,635,605

Period ended 30 June 2023

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	Hotel RM'000	Others RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Total RM'000
Revenue								
Total revenue	728,574	388,320	82,726	3,231	31,286	1,234,137	8,600	1,242,737
Less: Inter-segment revenue	-	(373,049)	(82,381)	(100)	(26,957)	(482,487)	-	(482,487)
Revenue from external customers	728,574	15,271	345	3,131	4,329	751,650	8,600	760,250
Financial Results								
Segment results	108,134	39,519	17,081	(1,313)	(1,928)	161,493	1,159	162,652
Interest income	1,921	240	127	-	38	2,326	309	2,635
Finance costs	(14,196)	(2,040)	(15,646)	(895)	(3)	(32,780)	(622)	(33,402)
Depreciation	(2,970)	(7,960)	(2,750)	(1,162)	(936)	(15,778)	(4,286)	(20,064)
Share of profit/(loss) of associates, net of tax	-	83	-	-	(1)	82	-	82
Profit/(Loss) before tax	92,889	29,842	(1,188)	(3,370)	(2,830)	115,343	(3,440)	111,903
Taxation	(26,015)	(8,208)	(5,421)	-	-	(39,644)	850	(38,794)
Net profit/(loss) for the financial period	66,874	21,634	(6,609)	(3,370)	(2,830)	75,699	(2,590)	73,109
Assets								
Additions to non-current assets	48,399	12,218	860	423	92	61,992	449	62,441
Segment assets	3,172,501	210,572	362,135	77,638	143,543	3,966,389	209,129	4,175,518

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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

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

- (i) On 4 and 5 April 2024, the Company disposed 4,000,000 ordinary shares, representing 0.68% equity interest in MGB Berhad ("MGB"), a 58.65% subsidiary of the Company for a total cash consideration of RM3,240,000 only. Consequently, MGB became a 57.98% subsidiary of the Company.
- (ii) On 3 May 2024, Central Valley Ventures Sdn. Bhd. ("CVVSB"), a 70% subsidiary of LBS Bina Holdings Sdn Bhd ("LBS Bina"), has increased its paid-up share capital from 100 to 500,000 ordinary shares. LBS Bina has subscribed for an additional 349,930 ordinary shares in CVVSB for a total cash consideration of RM349,930 only. Consequently, CVVSB remained a 70% subsidiary of LBS Bina.
- (iii) On 10 May 2024, MGB Construction & Engineering Sdn. Bhd. ("MGBCE"), a wholly-owned subsidiary of MGB, has undertaken internal restructuring whereby MGBCE, disposed all the equity interest in Prisma Kasturi Sdn. Bhd. ("PKSB") to MGB Land Sdn. Bhd. ("MGBLSB"), a wholly-owned subsidiary of MGB, for a total cash consideration of RM2 only. Consequently, PKSB became a wholly-owned subsidiary of MGBLSB.

A12. Material events subsequent to the end of financial period

- (i) On 19 June 2024, Dragon Hill Corporation Limited ("DHCL"), an indirect wholly-owned subsidiary of the Company entered into an Equity Transfer and Debt Repayment Agreement with Huafa Urban Operation (HK) Limited ("Huafa") for the purpose of:
 - a) disposal of all equity interest in Lamdeal Investments Limited ("LIL") comprising 2,200,000 ordinary shares ("Sale Shares") representing 100% of the issued share capital of LIL for RMB192,180,968.21 (approximately RM124,744,666.47) ("Proposed Disposal"); and
 - b) loan settlement by Huafa of amount owing by LIL and its subsidiaries ("LIL Group") to the Company's subsidiaries totalling RMB227,819,031.79 (approximately RM147,877,333.53) ("Loan Settlement").On 10 July 2024, LIL ceased to be a subsidiary of DHCL.
- (ii) On 30 July 2024, the Company disposed 4,000,000 ordinary shares, representing 0.68% equity interest in MGB for a total cash consideration of RM3,420,000 only. Consequently, MGB became a 57.30% owned subsidiary of the Company.
- (iii) On 5 and 6 August 2024, the Company acquired 1,089,700 ordinary shares, representing 0.18% equity interest in MGB for a total cash consideration of RM845,544 only. Consequently, MGB became a 57.49% owned subsidiary of the Company.

There were no other material subsequent events as at 15 August 2024, 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 30 June 2024 were as follows:

	Amount RM'000
Approved and contracted for:	
a) Property development lands	448,248
b) Construction of right-of-use assets	31,986
c) Acquisition of property, plant and equipment	5,031
	<u>485,265</u>

A14. Contingent assets or contingent liabilities

	30.06.2024 RM'000	30.06.2023 RM'000
Bank guarantees for:		
- Property development	103,880	94,409
- Others	128	65
	<u>104,008</u>	<u>94,474</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	3
Expenses	
Contractors' fees	7,975
Lease expenses	26
Profit sharing to landowner	442
Rendering of services	1,529

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 have 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	
	30.06.2024	30.06.2023	%	30.06.2024	30.06.2023	%
	RM'000	RM'000		RM'000	RM'000	
<u>Continuing operations</u>						
Revenue						
Property Development	420,030	358,139	17%	747,247	728,574	3%
Construction and Trading	118,477	219,530	-46%	248,775	388,320	-36%
Management and Investment	20,203	67,981	-70%	51,424	82,726	-38%
Hotel	2,941	1,750	68%	5,072	3,231	57%
Others	12,710	16,299	-22%	28,733	31,286	-8%
	<u>574,361</u>	<u>663,699</u>	-13%	<u>1,081,251</u>	<u>1,234,137</u>	-12%
Less: Inter-segment revenue	<u>(142,509)</u>	<u>(292,953)</u>	51%	<u>(311,123)</u>	<u>(482,487)</u>	36%
	<u>431,852</u>	<u>370,746</u>	16%	<u>770,128</u>	<u>751,650</u>	2%
Profit/(Loss) after tax						
Property Development	58,818	30,972	90%	101,436	66,874	52%
Construction and Trading	(3,898)	11,891	-133%	(1,914)	21,634	-109%
Management and Investment	(10,316)	(1,480)	-597%	(16,057)	(6,609)	-143%
Hotel	(288)	(1,877)	85%	(1,716)	(3,370)	49%
Others	(1,228)	(1,546)	21%	(2,237)	(2,830)	21%
Profit/(Loss) after tax from continuing operation	<u>43,088</u>	<u>37,960</u>	14%	<u>79,512</u>	<u>75,699</u>	5%
<u>Discontinued operations</u>						
Loss after tax from discontinued operations	<u>(179)</u>	<u>(1,223)</u>	85%	<u>(1,396)</u>	<u>(2,590)</u>	46%
Profit/(Loss) after tax	<u>42,909</u>	<u>36,737</u>	17%	<u>78,116</u>	<u>73,109</u>	7%

For the current quarter ("2Q2024"), the Group recorded revenue of RM432 million and profit after tax ("PAT") of RM43 million as compared to revenue of RM371 million and PAT of RM37 million in the previous year corresponding quarter.

For the six months ended 30 June 2024 ("PTD2024"), the Group achieved revenue of RM770 million and PAT of RM78 million as compared to revenue of RM752 million and PAT of RM73 million in the same period last year.

B1. Review of Group performance (cont'd)

The analysis of the performance of the respective operating business segment for the 2Q2024 is as follows:

Continuing operations

Property Development

For the PTD2024, Property Development segment recorded revenue of RM747 million and PAT of RM101 million respectively as compared to revenue of RM729 million and PAT of RM67 million in the same period last year.

Property development remained to be the top contributor to the Group's revenue at RM747 million or 97% of the Group's total revenue.

Development projects within the Klang Valley remained as the largest revenue and PAT contributor, where their revenue accounted for more than 93% of the Group's revenue for the 2Q2024.

The revenue and PAT were mainly derived from the key development projects at KITA @ Cybersouth, LBS Alam Perdana, Prestige Residence and Idaman projects.

The increase in revenue and PAT were mainly attributable to the increased on-site development activities across on-going development projects.

Construction and Trading

For the PTD2024, Construction and Trading segment achieved revenue and loss after taxation ('LAT') of RM249 million and RM2 million respectively as compared to revenue of RM388 million and PAT of RM22 million in the same period last year.

The revenue and PAT were primarily contributed from in-house projects. The decrease in revenue and PAT were mainly due to certain projects were near their completion stage with minimal progress.

Management and Investment

For the PTD2024, Management and Investment segment achieved revenue and LAT of RM51 million and RM16 million respectively as compared to revenue of RM83 million and LAT of RM7 million in the same period last year.

The decrease in revenue and LAT were mainly due to lower intra-group income from dividend, project management fees and interest income.

Hotel

For the PTD2024, Hotel operation recorded revenue of RM5.1 million and LAT of RM1.7 million as compared to revenue of RM3.2 million and LAT of RM3.4 million in the same period last year.

The improvement in revenue and LAT were mainly due to higher room occupancy rates and additional income from corporate events.

B1. Review of Group performance (cont'd)

The analysis of the performance of the respective operating business segment for the 2Q2024 is as follows: (cont'd)

Continuing operations (cont'd)

Others

Others segment mainly comprises of retail mall and car park management, provision of treasury management services to the Group, provision of financial services and rental from properties management.

For the PTD2024, Others segment recorded revenue of RM29 million and LAT of RM2.2 million as compared to revenue of RM31 million and LAT of RM2.8 million in the same period last year.

The decrease in revenue were mainly due to lower intra-group interest income from treasury management services.

The improvement in LAT was mainly due to reduction in administrative expenses.

Discontinued operations

Discontinued operations comprise of motor racing circuit, management and investment segments.

For the PTD2024, discontinued operations recorded revenue of RM9.8 million and LAT of RM1.4 million as compared to revenue of RM8.6 million and LAT of RM2.6 million in the same period last year.

The improvement in revenue and LAT were mainly due to higher income from racing events and rental income.

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

	Current Quarter 30.06.2024 RM'000	Immediate Preceding Quarter 31.03.2024 RM'000	Changes (%)
<u>Continuing operations</u>			
Revenue	431,852	338,276	28%
PAT/(LAT)			
- Continuing operations	43,088	36,424	18%
- Discontinued operations	(179)	(1,217)	-85%
	<u>42,909</u>	<u>35,207</u>	22%

For the 2Q2024, the revenue increased 28% to RM432 million from RM338 million and PAT was 22% higher at RM43 million as compared with RM35 million in the immediate preceding quarter.

The increase in both revenue and PAT from continuing operations were mainly attributable to increased on-site development activities across on-going development projects.

B3. Group's prospects for the current financial year

As at 21 August 2024, the Group has secured total property sales of RM794 million on the back of RM293 million in bookings. This was driven by the Klang Valley region, which has continued to be our biggest contributor to property sales at 91%.

Among the projects that has continued to experience strong demand is Alam Perdana Central Hub ("APCH"). Launched in April 2024, sales of the Semi-Detached Factory and Terrace Factory units at APCH hit a total of RM255 million as at 21 August 2024. The robust sales were driven by Small and Medium-sized Enterprises seeking a strategic industrial location to support their operations. In KITA @ Cybersouth, the township has remained popular among young families who aspire to own a quality and affordable home. This was mainly driven by sales of KITA Bestari comprising single and double storey terrace units and KITA Sejati, a serviced apartment.

Building on the sales momentum, the Group has launched several exciting projects across Malaysia. These include Idaman Perdana, an affordable apartment in Selangor, and Imperial Garden Phase 2a comprising double storey semi-detached houses in Bandar Putera Indah, Johor. These projects are expected to contribute positively to the Group over the next two years.

Elsewhere, the Group in July 2024 proudly launched the Bandar Saujana Putra ("BSP") flyover, which connects to the North-South Expressway Central Link (Elite) and South Klang Valley Expressway (SKVE). This long-awaited flyover, which was officiated by the Menteri Besar of Selangor, is one of the major initiatives under the Group's corporate social responsibility. The BSP flyover aims to enhance the residents' quality of life by reducing travel time and easing traffic congestion. Its completion marks a significant milestone, aligning with the launch of BSP Sutera Apartment and Townhouse project in April 2024.

With a landbank totalling 2,686 acres as at 31 July 2024, the Group is confident of maximising its value, while maintaining a sustainable performance ahead. This is supported by our unbilled sales amounting to RM1.71 billion as at 31 July 2024, which will provide strong revenue and earnings visibility ahead.

Meanwhile, the disposal of the Lamdeal Group including Zhuhai International Circuit via an equity transfer and debt repayment agreement is expected to complete by 31 October 2024 and strengthen the Group's balance sheet. The proceeds from the disposal will be utilised for working capital purposes, repayment of borrowings as well as projects and investments.

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 30.06.2024 RM'000	Preceding year Quarter 30.06.2023 RM'000	Current year To date 30.06.2024 RM'000	Preceding year To date 30.06.2023 RM'000
<u>Continuing operations</u>				
Current tax provision	28,781	19,655	50,593	34,152
Under provision in prior years	549	-	563	-
Deferred tax	(4,943)	1,216	(8,467)	5,492
Total tax expense	<u>24,387</u>	<u>20,871</u>	<u>42,689</u>	<u>39,644</u>

The effective tax rate of the Group for the current quarter and financial period 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 15 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report:

LBS Group

- (i) On 15 December 2017, 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 15 August 2024, out of eleven issuances of Sukuk Murabahah totalling RM201.30 million in nominal value, LBS Bina has redeemed Sukuk Murabahah totalling RM148.66 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 30 June 2024, the Company made two issuances totalling RM223 million in nominal value.

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 15 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

LBS Group (cont'd)

- (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.

On 11 January 2024, the Board of Directors of the Company announced that a supplemental agreement would be signed by both parties to reflect a change in land size, from 51.52 acres to 49.48 acres and cash consideration accordingly.

Both Agreements have not been completed as the Conditions Precedent therein have not been fulfilled.

- (iv) On 8 April 2021, the Company's indirect subsidiary, Leaptec 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.

On 6 October 2023, the Board of Directors of the Company announced to extend the agreement, which is 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.

Both Agreements have not been completed as the Conditions Precedent therein have not been fulfilled.

- (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 a 3-month extension of the HOA, originally set to expire on the same date.

On 21 June 2023, all parties involved in the HOA further extend its duration, stretching the expiration date to 31 January 2024.

On 23 January 2024, the Company announced for further extension, prolonging the HOA for another 6 months to expire on 31 July 2024.

On 19 July 2024, the HOA which is going to expire on 31 July 2024 will be extended to 31 January 2025.

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 15 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

LBS Group (cont'd)

- (vi) On 22 July 2022, the Company's indirect subsidiary, Casa Inspirasi Sdn. Bhd. ("CISB") 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 ("Plot A") and H.S.(D) 19365 PT24507 measuring approximately 248.30 acres ("Plot B") 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 ("CP") pursuant to the terms of the SPA to 21 July 2024.

In December 2023, the CP in the Agreement for Plot A have been fulfilled and has become unconditional.

On 19 July 2024, the Board of Directors of the Company wishes to announce that the CP in the SPA for Plot B have yet to be fulfilled within the extended period which is expiring on 21 July 2024. CISB has prior to the expiry date requested for further extension to fulfil the CP pursuant to the terms of the SPA.

The Company will make further announcement and update on the above in due course.

- (vii) On 1 April 2023, the Company has 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".

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.

On 21 May 2024, the Board of Directors of the Company announced that there is no material development pertaining to the MOU entered between the Company and Sany.

- (viii) On 5 July 2023, the Company's indirect 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 a 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 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 15 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

LBS Group (cont'd)

- (ix) On 6 July 2023, the Company's direct 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.
- (x) 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 collaboration 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 terms 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.

- (xi) 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").

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.

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 Malaysian Rating Corporation Berhad.

The 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.

On 14 May 2024, the Company made a first issuance of RM200.0 million in nominal value pursuant to 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 15 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report: (cont'd)

MGB Group

- (i) On 14 December 2022, Retro Court Sdn. Bhd. ("RCSB"), a 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 fulfilled.

- (ii) On 27 July 2023, MGB's indirect 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.

- (iii) 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.

On 16 May 2024, the Board of Directors of the MGB announced that there is no material development pertaining to the MOU.

B7. Borrowings and debt securities

The Group borrowings and debt securities were as follows:

Period ended 30.06.2024

	<u>Long-term</u> RM'000	<u>Short-term</u> RM'000	<u>Total borrowings</u> RM'000
<u>Secured</u>			
Bank overdrafts	-	3,974	3,974
Borrowings	198,781	563,113	761,894
Lease liabilities	16,518	13,009	29,527
Sukuk	233,077	4,452	237,529
Total borrowings	448,376	584,548	1,032,924

B8. Material litigation

On 12 August 2024, the Company's indirect wholly-owned subsidiary, Gerbang Mekar Sdn. Bhd. ("GMSB") ("Defendant") has filed a memorandum of appearance at the Kuala Lumpur High Court in response to a writ and statement of claim for RM43.03 million ("the Suit") from Mega Planner Jaya Sdn. Bhd. (in liquidation) ("Plaintiff").

The Liquidator of the Plaintiff has filed a claim against GMSB, alleging that part of the consideration sum for the Sale and Purchase Agreement dated 23 April 2014 ("SPA"), executed between GMSB and the Plaintiff prior to the Company's acquisition of GMSB, has not been settled. The SPA involved the purchase of a unit of retail mall and a unit of shop with retail car-parking bays located in Setapak, Kuala Lumpur.

The Company will be taking the necessary legal steps to defend this matter and will make the necessary announcement as and when there are material developments in relation thereto.

There was no other material litigation as at 15 August 2024, 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

In respect of the previous financial year ended 31 December 2023:

On 17 April 2024, the Company has declared a first interim single-tier dividend of 1.35 sen per ordinary share, which has been paid on 16 July 2024 to the depositors registered in the Record of Depositors on 28 June 2024.

At the Annual General Meeting held on 13 June 2024, the shareholders of the Company approved the final single-tier dividend of 1.35 sen per ordinary share, which will be paid on 12 September 2024 to the depositors registered in the Record of Depositors on 30 August 2024.

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:

Basic EPS

	Current Period to Date 30.06.2024	Preceding Period to Date 30.06.2023
Adjusted net profit/(loss) attributable to ordinary equity holders (RM'000)		
- Continuing operations	58,428	57,468
- Discontinued operations	(862)	(1,575)
Total	<u>57,566</u>	<u>55,893</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,543,363</u>	<u>1,545,289</u>
Basic EPS (sen)		
- Continuing operations	3.79	3.72
- Discontinued operations	(0.06)	(0.10)
Total	<u>3.73</u>	<u>3.62</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:

Diluted EPS

	Current Period to Date 30.06.2024	Preceding Period to Date 30.06.2023
Adjusted net profit/(loss) attributable to ordinary equity holders (RM'000)		
- Continuing operations	58,428	57,468
- Discontinued operations	(862)	(1,575)
Total	<u>57,566</u>	<u>55,893</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>1,543,363</u> #	<u>1,545,289</u> #
Diluted EPS (sen)		
- Continuing operations	3.79	3.72
- Discontinued operations	(0.06)	(0.10)
Total	<u>3.73</u>	<u>3.62</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.

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 30.06.2024 RM'000	Current Year To Date 30.06.2024 RM'000
Allowance for impairment losses on receivables	271	452
Bad debts written off	175	175
Deposits written off	105	105
Depreciation of:		
- Investment properties	685	1,369
- Property, plant and equipment	3,393	6,870
- Right-of-use assets	7,359	14,381
Inventories written down	-	61
Property, plant and equipment written off	19	107
Provision for retirement benefits	2,175	4,365
Provision for staff economic compensation	2	38
Waiver of interest income	8	19
Net foreign exchange loss	1,113	1,314
Contingency sum accrued in prior years no longer required	(658)	(3,513)
Net fair value adjustment on trade receivables	(48)	(63)
Net gain on disposal of:		
- Right-of-use assets	(389)	(389)
- Property, plant and equipment	(1,126)	(1,151)
Reversal of allowance for impairment losses on receivables	(253)	(371)

By Order of the Board,

**Dato' Lim Mooi Pang
Executive Director**

Petaling Jaya, Selangor Darul Ehsan
22 August 2024