

LBI CAPITAL BERHAD
(Company No. : 41412-X)
Condensed Consolidated Balance Sheet

	Unaudited As at end of Current Quarter 30 Sept 2019 RM'000	Audited As at preceding Financial Year End 31 Dec. 2018 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	610	294
Investment Properties	33,300	33,300
Investment in Associated Co.	1	1
Amount Owing by an Associate Company	5,827	5,787
Inventories	23,680	23,555
	63,418	62,937
Current Assets		
Other Investment	5,060	4,689
Inventories -Completed Properties	2,704	3,019
Inventories - Properties Development Cost	36,804	49,480
Trade Receivables	26,124	16,389
Other Receivables	3,020	1,991
Contract Assets	0	4,599
Tax Recoverable	214	283
Money Market Funds	22,442	21,009
Fixed Deposits	155	155
Cash held under Housing Development Act	399	968
Cash and Bank balances	2,200	1,539
	99,122	104,121
Total Assets	162,540	167,058
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	104,832	103,358
Treasury Shares	(4,741)	(4,741)
Retained Earnings	43,055	39,284
	143,146	137,901
Non-controlling Interest	232	232
Total Equity	143,378	138,133

LBI CAPITAL BERHAD
 (Company No. : 41412-X)
 (Incorporated in Malaysia)
 Condensed Consolidated Balance Sheet

	Unaudited As at end of Current Quarter 30 Sept 2019 RM'000	Audited As at preceding Financial Year End 31 Dec. 2018 RM'000
Non-Current Liabilities		
Bank Borrowing	3,006	4,487
Deferred tax	2,135	2,135
	5,141	6,622
Current Liabilities		
Trade Payables	1,467	2,760
Contract Liabilities	469	8,672
Other Payables	6,923	6,760
Bank Borrowings	3,454	3,458
Tax Payable	1,708	653
	14,021	22,303
Total Liabilities	19,162	28,925
Total Equity and Liabilities	162,540	167,058
Net assets per share (RM)	1.41	1.68

The condensed consolidated balance sheet should be read in conjunction with the financial statement for the year ended 31 Dec 2018 and the accompanying explanatory.

LBI CAPITAL BERHAD

(Company No. : 41412-X)

Condensed Consolidated Statement of Comprehensive Income

	Individual Period		Cumulative Period	
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Corresponding Quarter 30/09/2018 RM'000	Current Year To date 30/09/2019 RM'000	Preceding Year Corresponding Period 30/09/2018 RM'000
Revenue	4,710	7,358	30,504	10,950
Other Operating Incomes	452	248	1,320	800
Operating Expenses	(5,086)	(3,743)	(20,706)	(7,699)
Finance Costs	(2)	(3)	(20)	(5)
Profit/(Loss) before Taxation	<u>74</u>	<u>3,860</u>	<u>11,098</u>	<u>4,046</u>
Income Tax	524	(1,008)	(2,460)	(1,146)
Profit/(Loss) after Taxation	<u><u>598</u></u>	<u><u>2,852</u></u>	<u><u>8,638</u></u>	<u><u>2,900</u></u>
Attributable to:				
Equity holders	598	2,852	8,638	2,900
Non-controlling Interest	0	0	0	0
Profit for the Period	<u><u>598</u></u>	<u><u>2,852</u></u>	<u><u>8,638</u></u>	<u><u>2,900</u></u>
Profit for the Period	598	2,852	8,638	2,900
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income for the period	<u><u>598</u></u>	<u><u>2,852</u></u>	<u><u>8,638</u></u>	<u><u>2,900</u></u>

LBI CAPITAL BERHAD

(Company No. : 41412-X)

Condensed Consolidated Statement of Comprehensive Income

	Individual Period		Cumulative Period	
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Corresponding Quarter 30/09/2018 RM'000	Current Year To date 30/09/2019 RM'000	Preceding Year Corresponding Period 30/09/2018 RM'000
Total comprehensive income				
Equity holders	598	2,852	8,638	2,900
Non controlling interest	0	0	0	0
	<u>598</u>	<u>2,852</u>	<u>8,638</u>	<u>2,900</u>
Earnings per share attributable to equity holders				
Basic earnings/(loss) per share (sen)	0.68	3.69	9.80	3.80
Diluted earning/(loss) per share (sen)	0.59	3.69	8.55	3.80

The condensed consolidated Income Statement should be read in conjunction with the Financial Statements for the year ended 31 December 2018

LBI CAPITAL BERHAD

(Company No. : 41412-X)

Condensed Consolidated Statement of Changes in Equity

	◀	▶					
	Share Capital RM'000	Warrant Reserve RM'000	Retained Earning RM'000	Treasury Shares RM'000	TOTAL RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
At 1 Jan. 2018	101,840	523	41,776	(8,883)	135,256	235	135,491
Net profit for the year			2,900		2,900	-	2,900
Issue of shares	1,446				1,446	-	1,446
Transfer to share premium for warrant conversion	523	(523)			0	-	0
Distribution of Treasury Shares				4,589	4,589	-	4,589
Dividend			(6,859)		(6,859)	-	(6,859)
As at 30 Sept 2018	103,809	0	37,817	(4,294)	137,332	235	137,567
As at 1 Jan. 2019	104,832	0	39,286	(4,741)	139,377	232	139,609
Net profit for the period			8,638		8,638	-	8,638
Dividend			(4,869)		(4,869)		(4,869)
As at 30 Sept 2019	104,832	0	43,055	(4,741)	143,146	232	143,378

The Condensed Consolidated Statement of changes in equity should be read in conjunction with the Financial Statements for the year ended 31 December 2018

LBI CAPITAL BERHAD

(Company No. : 41412-X)

Condensed Consolidated Cash Flow Statement

	9 months ended	
	30.09.2019	30.09.2018
	RM'000	RM'000
Net cash generated from/(used in) operation activities	6,882	(1,418)
Net cash generated from/(used in) investing activities	(477)	(968)
Net cash generated from/(used in) financing activities	(4,881)	(242)
Net increase/(decrease) in cash and cash equivalent	<u>1,524</u>	<u>(2,628)</u>
Cash and cash equivalent at beginning of the year	23,580	26,319
Cash and cash equivalent at end of the period	<u><u>25,104</u></u>	<u><u>23,691</u></u>
Cash and cash equivalents comprises		
Cash and Bank Balances	2,200	2,022
Cash held under Housing Development Accounts	399	220
Money Market Funds	22,442	21,189
Deposits with Licensed Banks	155	152
	<u>25,196</u>	<u>23,583</u>
Less: Fixed Deposit pledged to licensed banks	<u>(92)</u>	<u>(127)</u>
	<u><u>25,104</u></u>	<u><u>23,456</u></u>

The Condensed Consolidated cashflow statement should be read in conjunction with the Financial Statement for the Year ended 31 December 2018

A NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report of the Group are unaudited and has been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018.

The accounting policies and methods of computation adopted by the Group in the preparation of the interim financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2018.

A2. Changes in Accounting Policies

The new MFRS 16: Leases which came into effect from 1 January 2019 did not have any significant effects on the financial statements of the Group.

A3. Auditors' Report

There were no qualifications on auditors' report of the audited financial statements for the financial year ended 31 December 2018.

A4. Seasonal or Cyclical Factors

The Group's operations are not subject to seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

Other than those disclosed in the financial statements, there were no unusual items affecting 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 estimate used for the preparation of the interim financial report.

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities for the current financial period except and issuance of 2,947,782 shares at issuance price of RM0.50 each pursuant to the its warrant conversion.

A8. Dividend Paid

The Company has declared and paid a cash interim dividend of 5 sen per share (2018: 3 sen cash dividend and a share dividend of 4 treasury shares for every 100 existing shares held) in respect of the financial year ending 31 December 2019.

A9. Segmental Report

The Group's principal business is property development and property investment within Malaysia. Hence no segmental report is presented.

A10. Valuation of Property, Plant and Equipment

Property, Plant and Equipment are stated at fair value less accumulated depreciation.

A11. Material Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of current quarter under review up to the date of this report which will likely to have substantial effect on the results of the operations of the Group.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year to date.

A13. Contingent Liabilities

	RM
Corporate guarantee for subsidiary companies banking facilities	21,250,000

A14. Capital Commitments

	RM
Approved and contracted for: Development land acquired under Sale and Purchase Agreements.	Nil

B NOTES TO BURSA MALAYSIA'S LISTING REQUIREMENT

B1. Review of Performance

For the quarter under review, the Group registered a lower revenue of RM4.7 million compared with RM7.4 million for previous corresponding quarter in 2018 due to lower contributions of its Midhills joint venture project and Sg. Jati Permai, Klang. Consequently the Group recorded a lower profit before tax of RM0.1 million as compared to profit of RM3.9 million for corresponding period last year.

B2. Variation of Results Against Preceding Quarter

For the quarter under review, the Group recorded a lower revenue of RM4.7 million and profit before tax of RM0.1 million as compared to the preceding quarter's revenue of RM14.0 million and a profit before tax of RM5.6 million. The lower revenue and profit was due to lower contribution of its Sg. Jati Permai, Klang and Midhills projects for the current quarter.

B3. Prospects

The board expects the performance of the Group in the current year to be better than last year with the better sales achieved so far this year despite the property market remain challenging.

B4. Profit forecast and profit guarantee

There were no profit forecast or profit guarantee for the financial year.

B5. Taxation

	Current Quarter	Year-To-Date
	RM'000	RM'000
Current Year Provision	(524)	2,226
Underprovision in the previous years	0	234
Total taxation	(524)	2,460

The effective tax rate of the Group was higher than the prevailing statutory tax rate due to certain expenses is not taxable deductible.

B6. Unquoted Investment and Properties

There were no sales of unquoted investments and/or properties during the current financial quarter.

B7. Status of Corporate Proposals

The Company proposed bonus issue and establishment of a long-term incentive plan were completed during the financial period. There is no outstanding corporate proposal.

B8. Borrowings and Debts Securities

Total Group borrowings as at 30 Sept 2019 were as follows:

	As at 30/09/2019 RM'000
Short term borrowings	
- Unsecured (RM)	-
- Secured (RM)	1,978
- Secured (foreign denominated loan)	1,476
	<hr/>
	3,454
Long term borrowings	
- Unsecured (RM)	-
- Secured (RM)	3,006
	<hr/>
	3,006
Total	<hr/> 6,460

B9. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments for the current financial period to date.

B10. Material Litigation

The Company is not involved in any material litigation as at the date of this financial report, which has a material effect on the financial position of the Group.

B11. Dividends payable

The Company has declared and paid a cash interim dividend of 5 sen per share (2018: 3 sen cash dividend and a share dividend of 4 treasury shares for every 100 existing shares held) in respect of the financial year ending 31 December 2019.

B12. Earnings Per Share

a) Basic Earnings per Share

Basic earnings per share of the Group is calculated based on the net profit attributable to the shareholders for the current financial period and the weighted average number of ordinary shares in issue of 87,910,304 (2018: 77,195,293) during the said financial quarter.

b) Diluted Earnings per Share

The diluted earning per share of the Group is calculated based on the net profit attributable to the shareholders for the current financial period and the adjusted weighted average number of ordinary shares in issued and issuable of 101,002,982 (2018: 77,195,293) during the said financial quarter.

B13. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements.

The following analysis of realized and unrealized retained profit/(accumulated losses) at the legal entity level is prepared in accordance with Guidance on Special matter No. 1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Listing Requirement, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

		30/09/2019
		RM'000
Total Retained Earnings	- Realised	28,615
	- Unrealised	14,651

		43,266
Less: Consolidation adjustments		(211)

Total Group Accumulated Profit		43,055

B14. Notes to the Condensed Consolidated Statement of Comprehensive Incomes

The following amounts have been credited/(charged) in arriving at profit before tax:

	Current Quarter RM'000	Cumulative Quarter RM'000
a) Interest income	204	565
b) Dividend income and other income	74	255
c) Interest expenses	(3)	(20)
d) Depreciation and amortization	(50)	(122)
e) Foreign exchange gain/(loss)	2	(12)