

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

	<b>Unaudited</b> <b>As at end of</b> <b>Current Quarter</b> <b>31 Dec. 2019</b> <b>RM'000</b>	<b>Audited</b> <b>As at preceding</b> <b>Financial Year End</b> <b>31 Dec. 2018</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	866	294
Investment Properties	33,300	33,300
Investment in Associated Co.	1	1
Amount Owing by an Associate Company	5,825	5,787
Trade Receivable	12,855	0
Inventories	35,311	23,555
	88,158	62,937
<b>Current Assets</b>		
Other Investment	6,079	4,689
Inventories -Completed Properties	2,925	3,019
Inventories - Properties Development Cost	20,753	49,480
Trade Receivables	11,894	16,389
Other Receivables	3,065	1,991
Contract Assets	0	4,599
Tax Recoverable	511	283
Money Market Funds	21,423	21,009
Fixed Deposits	155	155
Cash held under Housing Development Act	611	968
Cash and Bank balances	3,391	1,539
	70,807	104,121
<b>Total Assets</b>	158,965	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	40,613	39,284
Share Option Reserve	323	0
	141,027	137,901
Non-controlling Interest	229	232
<b>Total Equity</b>	141,256	138,133

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

	<b>Unaudited As at end of Current Quarter 31 Dec. 2019 RM'000</b>	<b>Audited As at preceding Financial Year End 31 Dec. 2018 RM'000</b>
<b>Non-Current Liabilities</b>		
Bank Borrowing	2,424	4,487
Deferred tax	2,135	2,135
	4,559	6,622
<b>Current Liabilities</b>		
Trade Payables	2,530	2,760
Contract Liabilities	985	8,672
Other Payables	5,121	6,760
Bank Borrowings	4,111	3,458
Tax Payable	403	653
	13,150	22,303
<b>Total Liabilities</b>	17,709	28,925
<b>Total Equity and Liabilities</b>	158,965	167,058
<b>Net assets per share (RM)</b>	1.39	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 31/12/2019 RM'000	Preceding Year Corresponding Quarter 31/12/2018 RM'000	Current Year To date 31/12/2019 RM'000	Preceding Year Corresponding Period 31/12/2018 RM'000
Revenue	6,409	5,007	36,910	15,957
Other Operating Incomes	555	2,332	1,875	3,132
Operating Expenses	(8,986)	(4,323)	(29,702)	(12,022)
Finance Costs	(7)	(8)	(27)	(13)
Profit/(Loss) before Taxation	<u>(2,029)</u>	<u>3,008</u>	<u>9,056</u>	<u>7,054</u>
Income Tax	(402)	(2,670)	(2,863)	(3,813)
Profit/(Loss) after Taxation	<u><u>(2,431)</u></u>	<u><u>338</u></u>	<u><u>6,193</u></u>	<u><u>3,241</u></u>
Attributable to:				
Equity holders	(2,428)	340	6,196	3,243
Non-controlling Interest	(3)	(2)	(3)	(2)
Profit for the Period	<u><u>(2,431)</u></u>	<u><u>338</u></u>	<u><u>6,193</u></u>	<u><u>3,241</u></u>
<b>Profit for the Period</b>	(2,428)	340	6,196	3,243
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income for the period	<u><u>(2,428)</u></u>	<u><u>340</u></u>	<u><u>6,196</u></u>	<u><u>3,243</u></u>

**LBI CAPITAL BERHAD**

(Company No. : 41412-X)

**Condensed Consolidated Statement of Comprehensive Income**

	Individual Period		Cumulative Period	
	Current Year Quarter 31/12/2019 RM'000	Preceding Year Corresponding Quarter 31/12/2018 RM'000	Current Year To date 31/12/2019 RM'000	Preceding Year Corresponding Period 31/12/2018 RM'000
<b>Total comprehensive income</b>				
Equity holders	(2,428)	340	6,196	3,243
Non controlling interest	(3)	0	0	(2)
	<u>(2,431)</u>	<u>340</u>	<u>6,196</u>	<u>3,241</u>
<b>Earning per share attributable to equity holders</b>				
Basic earning/(loss) per share (sen)	(2.76)	0.44	7.00	4.20
Diluted earning per share (sen)	(2.43)	0.44	6.20	4.20

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
<b>At 1 Jan. 2018</b>	101,840	523	41,776	(8,883)	135,256	235	135,491
Net profit for the year			3,471		3,471	(2)	3,469
Issue of shares	1,446				1,446	-	1,446
Transfer to retained earnings upon lapse of warrant		(451)	451		0	-	0
Conversion of warrants	72	(72)			0		0
Distribution of Treasury Shares				4,142	4,142	-	4,142
Dividend			(6,412)		(6,412)	-	(6,412)
<b>As at 31 Dec 2018</b>	<b>103,358</b>	<b>0</b>	<b>39,286</b>	<b>(4,741)</b>	<b>137,903</b>	<b>233</b>	<b>138,136</b>

	◀ Share Capital RM'000	Option Reserve RM'000 ▶	Retained Earning RM'000	Treasury Shares RM'000	TOTAL RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<b>As at 1 Jan. 2019</b>	103,358	0	39,286	(4,741)	137,903	233	138,136
Net profit for the period			6,196		6,196	(4)	6,192
Issue of shares	1,474				1,474	-	1,474
Allotment of share option		323			323	-	323
Dividend			(4,869)		(4,869)	-	(4,869)
<b>As at 31 Dec. 2019</b>	<b>104,832</b>	<b>323</b>	<b>40,613</b>	<b>(4,741)</b>	<b>141,027</b>	<b>229</b>	<b>141,256</b>

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**

	12 months ended	
	31.12.2019	31.12.2018
	RM'000	RM'000
Net cash generated from/(used in) operation activities	8,474	(712)
Net cash generated from/(used in) investing activities	(1,762)	(1,529)
Net cash generated from/(used in) financing activities	(4,805)	(533)
Net increase/(decrease) in cash and cash equivalent	<u>1,907</u>	<u>(2,774)</u>
Cash and cash equivalent at beginning of the year	23,580	26,320
Cash and cash equivalent at end of the period	<u><u>25,487</u></u>	<u><u>23,546</u></u>
Cash and cash equivalents comprises		
Cash and Bank Balances	3,391	1,538
Cash held under Housing Development Accounts	611	968
Money Market Funds	21,423	21,010
Deposits with Licensed Banks	155	155
	<u>25,580</u>	<u>23,671</u>
Less: Fixed Deposit pledged to licensed banks	<u>(93)</u>	<u>(125)</u>
	<u><u>25,487</u></u>	<u><u>23,546</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 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 ended 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 higher revenue of RM6.4 million compared with RM5.0 million for previous corresponding quarter in 2018 due to higher contributions of its Midhills joint venture project and Sg. Jati Permai, Klang. However, the Group recorded a loss before tax of RM2.0 million as compared to a profit of RM3.0 million for corresponding period last year mainly due to higher provisions on fair value long term receivable and doubtful debt.

The Group recorded a higher revenue and profit before tax of RM36.9 million and RM9.1 million respectively for the current financial year as compared to RM16.0 million and RM7.1 million respectively in the previous financial year.

### **B2. Variation of Results Against Preceding Quarter**

For the quarter under review, the Group recorded a higher revenue of RM6.4 million and a loss before tax of RM2.0 million as compared to the preceding quarter's revenue of RM4.7 million and a profit before tax of RM0.6 million. The higher revenue and loss was due to higher contribution of its Sg. Jati Permai, Klang and Midhills projects for the current quarter but the results were affected by the provisions as mentioned above.

### **B3. Prospects**

The board expects the performance of the Group in the current year to be challenging due to slow down in the country economic growth and various external factors affecting investment and consumption. The management will be remain prudent in managing these challenges

### **B4. Profit forecast and profit guarantee**

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

### **B5. Taxation**

	<b>Current Quarter</b>	<b>Year-To-Date</b>
	<b>RM'000</b>	<b>RM'000</b>
Current Year Provision	(402)	2,629
Underprovision in the previous years	0	234
Total taxation	(402)	2,863

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 31 Dec. 2019 were as follows:

	<b>As at 31/12/2019 RM'000</b>
Short term borrowings	
- Unsecured (RM)	-
- Secured (RM)	2,046
- Secured (foreign denominated loan)	2,065
	<hr/>
	4,111
	<hr/>
Long term borrowings	
- Unsecured (RM)	-
- Secured (RM)	2,424
	<hr/>
	2,424
	<hr/>
Total	6,535
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**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 ended 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 100,099,416 (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.

		<b>31/12/2019</b>
		<b>RM'000</b>
Total Retained Earnings	- Realised	26,173
	- Unrealised	14,651
		-----
		40,824
Less: Consolidation adjustments		(211)
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Total Group Accumulated Profit		40,613
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**B14. Notes to the Condensed Consolidated Statement of Comprehensive Incomes**

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

	<b>Current Quarter RM'000</b>	<b>Cumulative Quarter RM'000</b>
a) Interest income	471	1,048
b) Dividend income and other income	84	339
c) Interest expenses	(7)	(27)
d) Depreciation and amortization	(66)	(188)
e) Foreign exchange gain/(loss)	46	34