



LEBTECH BERHAD (590945-H)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**

(The figures have not been audited)

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To-date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Revenue	3,545	3,204	20,126	40,592
Cost of sales	(3,086)	(7,765)	(17,611)	(40,457)
Gross profit	459	(4,561)	2,515	135
Other income	1,140	500	2,918	1,045
Administration expenses	(926)	(1,134)	(3,468)	(4,354)
Depreciation	(30)	(54)	(159)	(220)
Profit from operations	643	(5,249)	1,806	(3,394)
Finance income	3	10	3	42
Finance costs	(83)	(99)	(357)	(401)
Profit before taxation	563	(5,338)	1,452	(3,753)
Tax expense	(677)	1,231	(677)	815
Profit for the period	(114)	(4,107)	775	(2,938)
Other comprehensive income				
Gain on fair value of available- for-sale investment	-	-	-	-
Total comprehensive income for the period	(114)	(4,107)	775	(2,938)
Earnings per share (sen)				
Basic and diluted	(0.08)	(3.01)	0.57	(2.15)

The Condense Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016***(The figures have not been audited)*

	(Unaudited) 31.12.2016 RM'000	(Audited) 31.12.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,785	2,924
Intangible assets	11,804	11,804
Investment properties	450	465
Deferred tax assets	3,433	4,110
	18,472	19,303
Current assets		
Trade receivables	131,288	147,731
Other receivables, deposits and prepayments	148	1,949
Amount due from customers for contract work	27,529	13,278
Deposits with licensed banks	1,373	1,373
Cash and bank balances	56	26
	160,394	164,357
TOTAL ASSETS	178,866	183,660
EQUITY		
Equity attributable to shareholders		
Share capital	68,242	68,242
Reserves	10,478	10,478
Retained earnings	50,743	49,968
	129,463	128,688
LIABILITIES		
Current liabilities		
Trade payables	43,502	45,950
Other payables and accruals	1,144	834
Advance from related companies	348	315
Amount due to customers for contract work	793	2,584
Current tax payable	121	407
Short term borrowings	-	1,051
Bank overdraft	3,495	3,831
	49,403	54,972
TOTAL EQUITY AND LIABILITIES	178,866	183,660
Net Assets Per Share (sen) (Based on 136,483,675 ordinary shares) (2015 : 136,483,675 ordinary shares)	<u>94.86</u>	<u>94.29</u>

The Condensed Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.



LEBTECH BERHAD (590945-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**

(The figures have not been audited)

	Attributable to shareholders of the Company ----->			
	Share Capital RM'000	Non - Distributable Share Premium RM'000	Distributable Retained Earnings RM'000	Total RM'000
12 months ended 31 December 2016				
At 1 January 2016	68,242	10,478	49,968	128,688
Total comprehensive income for the period	-	-	775	775
At 31 December 2016	68,242	10,478	50,743	129,463
12 months ended 31 December 2015				
At 1 January 2015	68,242	10,478	52,906	131,626
Total comprehensive income for the period	-	-	(2,938)	(2,938)
At 31 December 2015	68,242	10,478	49,968	128,688

The Condensed Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016
(The figures have not been audited)

	Current Year To-date 31.12.2016 RM'000	Current Year To-date 31.12.2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,452	(3,753)
<i>Adjustments for :</i>		
Depreciation of property, plant and equipment & investment properties	159	220
Finance costs	357	401
Gain on disposal of property, plant and equipment	-	(1)
Interest income	(3)	(42)
Reversal of impairment on trade receivables	(2,683)	(807)
Operating profit before changes in working capital	(718)	(3,982)
Payables and accruals	(4,090)	(13)
Receivables, deposits and prepayments	6,676	6,538
Cash from/(used) in operations	1,868	2,543
Interest received	3	42
Interest paid	(357)	(401)
Tax paid	(125)	(1,754)
Net cash used in operating activities	1,389	430
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(5)	(13)
Advance to related companies	33	35
Proceeds from disposal of property, plant and equipment	-	1
Net cash investing activities	28	23
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(1,051)	(399)
Increase in pledged deposits	-	(42)
Net cash from/(used in) financing activities	(1,051)	(441)
Net (decrease)/increase in cash and cash equivalents	366	12
Cash and cash equivalent at the beginning of the period	(3,805)	(3,817)
Cash and cash equivalent at the end of the period	(3,439)	(3,805)
Cash and cash equivalents at the end of the period comprise as follows :		
	RM'000	RM'000
Cash and bank balances	56	26
Fixed deposits with licensed banks	1,373	1,373
	1,429	1,399
Less : Bank overdraft	(3,495)	(3,831)
Less : Deposits pledged	(1,373)	(1,373)
	(3,439)	(3,805)

The Condensed Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015 and the accompanying notes attached to the interim financial statements.



LEBTECH BERHAD(590945-H)

NOTES TO THE UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

EXPLANATORY NOTES

1. Basis of Preparation

The condensed interim financial statements are unaudited and have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2015.

These explanatory notes 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 year ended 31 December 2015.

2. Changes in Accounting Policies

At the date of authorization of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC interpretation will be applied by the Group and Company when they become effective in the respective financial periods:

		Effective for financial periods beginning in or after
New MFRSs		
MFRS 9	Financial Instruments	1 January 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue From Contracts With Customers	1 January 2017
Amendments/Improvements to MFRSs		
MFRS 2	Share-based Payment	1 July 2014
MFRS 3	Business Combinations	1 July 2014
MFRS 5	Non-current Assets held for Sale and Discontinued Operations	1 January 2016
MFRS 7	Financial Instruments: Disclosures	1 January 2016
MFRS 8	Operating Segments	1 July 2014
MFRS 10	Consolidated Financial Statements	1 January 2014 and 1 January 2016
MFRS 11	Joint Arrangements	1 January 2016
MFRS 12	Disclosure of Interests in Other Entities	1 January 2014
MFRS 13	Fair Value Measurement	1 July 2014

**LEBTECH BERHAD**(590945-H)NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**2. Changes in Accounting Policies (continued)**

		Effective for financial periods beginning in or after
Amendments/Improvements to MFRSs		
MFRS 116	Property, Plant and Equipment	1 July 2014 and 1 January 2016
MFRS 119	Employee Benefits	1 July 2014 and 1 January 2016
MFRS 124	Related Party Disclosures	1 July 2014
MFRS 127	Consolidated and Separate Financial Statements	1 January 2014 and 1 January 2016
MFRS 128	Investments in Associate	1 January 2016
MFRS 134	Interim Financial Reporting	1 January 2014
MFRS 132	Financial Instruments: Presentation	1 January 2014
MFRS 136	Impairment of Assets	1 January 2014
MFRS 138	Intangible Assets	1 July 2014 and 1 January 2016
MFRS 139	Financial Instruments: Recognition and Measurements	1 January 2014
MFRS 140	Investment Property	1 July 2014
MFRS 141	Agriculture	1 January 2016
New IC Int		
IC Int 21	Levies	1 January 2014

3. Seasonality and Cyclically Factors

The business of the Group was not significantly affected by any seasonal or cyclical factors.

4. Nature and Amount of Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual material items that affect assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

**LEBTECH BERHAD**(590945-H)NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**5. Changes in Estimates**

There were no changes to the estimates of amount reported in the prior financial year that have a material effect in the current quarter.

6. Issuances, Cancellations, Repurchases, Resale and Repayment of Debts & Equity Securities

There were no issuances and repayments of debts and equity securities, shares buy-backs, shares cancellations, shares held as treasury shares and/or resale of treasury shares by the Company for the current quarter under review.

7. Dividend Paid

There were no dividends paid during the current quarter and current financial year to-date.

8. Segmental Reporting

The segmental report of the Group for the current year to-date and preceding year corresponding period is as follows: -

	12 months ended 31.12.2016 (RM'000)	12 months ended 31.12.2015 (RM'000)
<u>Segment Revenue</u>		
Construction	20,126	40,592
	20,126	40,592
<u>Segment Results (Profit Before Taxation)</u>		
Construction	1,218	(3,987)
Rental	234	234
	1,452	(3,753)



LEBTECH BERHAD(590945-H)

NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

9. Carrying Amount of Revalued Property, Plant and Equipment

There were no valuation of property, plant and equipment in the Group, the amount accounted is the net book value based on the cost of acquisition less accumulated depreciation.

10. Subsequent Material Events

There was no subsequent material events not reflected in the financial statements from the end of 31 December 2016 until 15 February 2017 being a date not earlier than 7 days from the date of issuance of this quarterly report.

11. Changes in The Composition of The Group / Capital Structure

There were no changes in the composition or capital structure of the Group during the current quarter under review.

12. Changes in Contingent Liabilities and Contingent Assets

Contingent liabilities of the Group as at 15 February 2017 being a date not earlier than 7 days from the date of issue of this quarterly report comprises of Bank Guarantees and Corporate Guarantees provided by the Group to the various parties in the normal course of business and the changes in contingent liabilities since the last annual balance sheet are as follows: -

	Bank Guarantee (RM'000)	Corporate Guarantee (RM'000)	
Balance as at 1 January 2016	100	12,200	
Additional during the period	-	-	
Expired/Cancelled during the period	-	(6,000)	
Balance as at 15 February 2017	<u>100</u>	<u>6,200</u>	**

** Included in the Corporate Guarantee, a total sum of RM4.50 million is guaranteed by the Company extended to a Financial Institution as security for banking facilities granted to its wholly owned subsidiary.

There were no contingent assets as at the report date.



LEBTECH BERHAD(590945-H)

NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

13. Capital Commitments

There were no capital commitments that have a material effect in the current interim financial period.

14. Significant Related Party Disclosures

Related parties are those defined under FRS 124 (Related Party Disclosures).

The following are the related party transactions of the Group for the current year quarter and current year to-date under review.

Lebtech Bhd & its subsidiary	Transacting Party	Relationship	Nature of Transaction	Current Year Quarter RM'000	Current Year To-date RM '000	Balance Outstanding (Including Retention) As at 31-12-2016 RM'000
Lebtech Construction Sdn Bhd	Lebar Daun Development Sdn Bhd	Company connected with major shareholders and Directors	Construction Revenue Receivable from	-	2,794	20,661
Lebtech Construction Sdn Bhd	Basco Sdn Bhd	Company connected with major shareholders and Directors	Construction Revenue Receivable from	(6,587)	(19,239)	108,884
			Construction Cost Payable to	-	-	1,997
Lebtech Construction Sdn Bhd	Lebar Daun Development Sdn Bhd	Company connected with majors shareholders and Directors	Rental Revenue Received from	58	234	-



SECURITIES LISTING REQUIREMENTS

15. Group Performance Review

The revenue for the current financial quarter ended 31 December 2016 increased by 11% to RM3.54 million from RM3.20 million recorded in the preceding corresponding period. The Group recorded a profit before taxation of RM0.56 million as compared to a loss before taxation of RM5.34 million for the same corresponding period.

The increased in revenue and profit before taxation was mainly due to progress recognition of several construction contracts undertaken by the Group. The results relate solely to the construction operating segment.

16. Comparison with Preceding Quarter's Results

The Group recorded revenue of RM3.54 million for the current quarter as compared to RM11.91 million in the immediate preceding quarter. The Group recorded a profit before taxation of RM0.56 million as compared to a profit before taxation of RM2.18 million in the immediate preceding quarter.

The decreased in revenue and profit before taxation was mainly due to slower progress recorded in several construction contracts undertaken by the Group. The results relate solely to the construction operating segment.

17. Prospect for the Financial Year 2017

The Group remain cautious in view of challenging year of 2017 with the Board foresees the Group's operational results to be equally challenging.

The revenue generation mainly come from the construction contracts of property development projects with significant effort be given to secure new construction jobs to improve the order book. The Group expects the market would be softer due to uncertain economic environment and will continue to focus on the completion of its construction projects.

18. Variances on Profit Forecast and Profit Guarantee for Financial Year Ending 31 December 2016

Not applicable as there was no profit forecast and profit guarantee issued.

**LEBTECH BERHAD**(590945-H)NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**19. Taxation**

The taxation for the current quarter consists of the followings: -

	Current year quarter	Preceding year corresponding quarter	Current year-to-date	Preceding year corresponding period
	31.12.2016 <u>RM'000</u>	31.12.2015 <u>RM'000</u>	31.12.2016 <u>RM'000</u>	31.12.2015 <u>RM'000</u>
Corporate tax				
- current year	-	(418)	-	-
- prior year	-	(2)	-	(4)
Deferred tax				
- current year	677	(811)	677	(811)
	<u>677</u>	<u>(1,231)</u>	<u>677</u>	<u>(815)</u>

20. Status of Corporate Proposals

There was no corporate proposal announced that has not been completed as at 15 February 2017 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

21. Borrowings and Debt Securities

The details of the Group borrowings and debts securities as at 31 December 2016 are as follows: -

	Short term		Long term	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Bankers' Acceptance	-	-	-	-
Bank overdraft	3,495	-	-	-
	<u>3,495</u>	<u>-</u>	<u>-</u>	<u>-</u>

**LEBTECH BERHAD**(590945-H)NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**22. Notes to the Statement of Comprehensive Income**

Additional disclosures of items not disclosed elsewhere in this announcement, which have been included in the condensed consolidated Statement of Comprehensive Income for the fourth quarter and financial year ended 31 December 2016: -

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To-date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
(a) Allowance for doubtful debts	Nil	Nil	Nil	Nil
(b) Provision for and write off of inventories	Nil	Nil	Nil	Nil
(c) Gain on disposal of property, plant and equipment	Nil	Nil	Nil	1
(d) Impairment gain on available-for-sale investment	Nil	Nil	Nil	Nil
(e) Reversal of trade payables	Nil	Nil	Nil	Nil
(f) Foreign exchange gain or loss	Nil	Nil	Nil	Nil
(g) Gain or loss on derivatives	Nil	Nil	Nil	Nil
(h) Exceptional items	Nil	Nil	Nil	Nil
(i) Gain on disposal of available-for-sale investment	Nil	Nil	Nil	Nil
(k) Reversal of impairment on trade receivables	1,082	441	2,683	807

**LEBTECH BERHAD**(590945-H)NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**23. Off Balance Sheet Financial Instrument**

The Group does not have any off balance sheet financial instrument as at the date of this report.

24. Material Litigation

Neither the Company nor its subsidiary is engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect and adversely affect on the financial position of the Group.

25. Dividends

The Board does not recommend any interim dividend in respect of the current quarter under review.

26. Earnings Per Share**Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares issued during the period.

		Current Year Quarter 31.12.2016	Preceding Year Corresponding Quarter 31.12.2015	Current Year To- date 31.12.2016	Preceding Year Corresponding Period 31.12.2015
<u>Basic earnings per share</u>					
- Profit/(loss) for the period	(RM'000)	(114)	(4,107)	775	(2,938)
- Weighted average number of ordinary shares in issue	('000)	136,484	136,484	136,484	136,484
- Basic earnings per share	(sen)	(0.08)	(3.01)	0.57	(2.15)



LEBTECH BERHAD(590945-H)

NOTES TO THE UNAUDITED QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

27. Realised and Unrealised Retained Earnings

The breakdown as at 31 December 2016 is as follows: -

	As at 31.12.2016 RM'000	As at 31.12.2015 RM'000
Retained earnings/(loss)		
- Realised	54,176	54,078
- Unrealised	(3,433)	(4,110)
Total group retained earnings	50,743	49,968

By Order of the Board,

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Norazmi Bin Mohamed Nurdin
Managing Director

Date: 22 February 2017