



LBS BINA GROUP BERHAD

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

Interim Financial Report

30 September 2024

LBS BINA GROUP BERHAD

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

Interim Financial Report

30 September 2024

	Page No.
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	1 - 2
Condensed Consolidated Statement of Financial Position	3 - 4
Condensed Consolidated Statement of Changes in Equity	5 - 6
Condensed Consolidated Statement of Cash Flows	7 - 8
Notes to the Interim Financial Report	9 - 14
Additional Information required by the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)	15 - 27

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

	Note	Unaudited Individual Quarter		Unaudited Cumulative Period	
		Current Year Quarter 30.09.2024 RM'000	Preceding Year Quarter 30.09.2023 RM'000	Current Year To date 30.09.2024 RM'000	Preceding Year To date 30.09.2023 RM'000
<u>Continuing operations</u>					
Revenue		377,393	466,859	1,147,521	1,218,509
Cost of sales		(257,016)	(341,718)	(778,630)	(865,764)
Gross profit		120,377	125,141	368,891	352,745
Interest income		3,627	2,564	10,072	4,890
Other income		176,100	3,419	182,920	15,427
Administrative and operating expenses		(65,017)	(48,922)	(174,773)	(142,819)
Finance costs		(20,823)	(17,429)	(50,955)	(50,209)
Share of (loss)/profit of associates, net of tax		(12)	423	298	505
Profit before tax		214,252	65,196	336,453	180,539
Taxation	B5	(45,011)	(19,289)	(87,700)	(58,933)
Profit from continuing operations		169,241	45,907	248,753	121,606
<u>Discontinued operations</u>					
Profit/(Loss) from discontinued operations		2,747	(1,170)	1,351	(3,760)
Net profit for the financial period		171,988	44,737	250,104	117,846
Net profit/(loss) for the financial period attributable to:					
Owners of the parent					
- Continuing operations		164,512	40,957	230,542	106,038
- Discontinued operations		2,549	(743)	1,687	(2,318)
Non-controlling interests					
- Continuing operations		4,729	4,950	18,211	15,568
- Discontinued operations		198	(427)	(336)	(1,442)
		171,988	44,737	250,104	117,846

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

	Unaudited Individual Quarter		Unaudited Cumulative Period	
	Current Year Quarter 30.09.2024 RM'000	Preceding Year Quarter 30.09.2023 RM'000	Current Year To date 30.09.2024 RM'000	Preceding Year To date 30.09.2023 RM'000
Earnings per share attributable to owners of the parent (sen) :				
Basic				
- Continuing operations	B10 10.15	2.16	13.93	5.88
- Discontinued operations	0.17	(0.05)	0.11	(0.15)
Total	<u>10.32</u>	<u>2.11</u>	<u>14.04</u>	<u>5.73</u>
Diluted				
- Continuing operations	B10 10.15	2.16	13.93	5.88
- Discontinued operations	0.17	(0.05)	0.11	(0.15)
Total	<u>10.32</u>	<u>2.11</u>	<u>14.04</u>	<u>5.73</u>
Net profit for the financial period	171,988	44,737	250,104	117,846
Other comprehensive income, net of tax:				
Exchange translation differences for foreign operations				
- Continuing operations	2,489	(566)	3,320	(594)
- Discontinued operations	(9,903)	980	(9,207)	1,971
Reclassification adjustments of exchange translation reserve upon disposal of subsidiaries	<u>53,158</u>	<u>-</u>	<u>53,158</u>	<u>-</u>
Total comprehensive income for the financial period	<u>217,732</u>	<u>45,151</u>	<u>297,375</u>	<u>119,223</u>
Total comprehensive income for the financial period attributable to:				
Owners of the parent				
- Continuing operations	167,001	40,391	233,862	105,444
- Discontinued operations	(3,835)	579	(2,730)	2,320
Non-controlling interests				
- Continuing operations	54,150	4,950	67,632	15,568
- Discontinued operations	416	(769)	(1,389)	(4,109)
	<u>217,732</u>	<u>45,151</u>	<u>297,375</u>	<u>119,223</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 September 2024

	Note	Unaudited 30.09.2024 RM'000	Audited 31.12.2023 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	A10	44,372	53,820
Right-of-use assets		207,110	351,854
Capital work-in-progress		36,841	25,183
Inventories - land held for property development		1,471,453	1,301,414
Investment properties		187,771	189,824
Investment in associates		2,252	2,254
Trade receivables		3,888	6,020
Other investments		476	476
Goodwill on consolidation		55,514	55,514
Deferred tax assets		99,176	88,872
		2,108,853	2,075,231
Current assets			
Inventories - property development costs		514,394	466,768
Inventories - completed properties and others		96,386	95,659
Contract assets		435,347	456,692
Trade and other receivables		511,346	449,198
Other investments		26,209	-
Tax recoverable		31,321	19,213
Deposits, cash and bank balances		724,362	707,662
		2,339,365	2,195,192
TOTAL ASSETS		4,448,218	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		718,677	544,651
Treasury shares, at cost		(15,190)	(11,917)
Equity attributable to owners of the parent		1,626,374	1,455,621
Perpetual Sukuk Musharakah ("Perpetual Sukuk")		223,000	223,000
Non-controlling interests		235,156	166,810
TOTAL EQUITY		2,084,530	1,845,431

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

	Note	Unaudited 30.09.2024 RM'000	Audited 31.12.2023 RM'000
<u>LIABILITIES</u>			
Non-current liabilities			
Trade and other payables		311,155	467,145
Borrowings	B7	559,224	211,508
Provision for retirement benefits		19,162	12,633
Deferred tax liabilities		5,782	34,944
		895,323	726,230
Current liabilities			
Contract liabilities		3,481	5,323
Trade and other payables		961,150	1,120,215
Borrowings	B7	449,155	556,715
Tax payable		54,579	16,509
		1,468,365	1,698,762
TOTAL LIABILITIES		2,363,688	2,424,992
TOTAL EQUITY AND LIABILITIES		4,448,218	4,270,423
Net assets per share attributable to owners of the parent (RM)		1.05	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.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 2024 (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 1.1.2024	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	-	-	-	-	-	232,229	232,229	-	17,875	250,104
Foreign currency translation reserve	-	-	-	(4,834)	-	-	(4,834)	-	(1,053)	(5,887)
Reclassification adjustments of exchange translation reserve upon disposal of subsidiaries	-	-	-	3,737	-	-	3,737	-	49,421	53,158
Total comprehensive income for the financial period	-	-	-	(1,097)	-	232,229	231,132	-	66,243	297,375
Transactions with owners:										
Changes in equity interest in a subsidiary	-	-	-	-	(34)	-	(34)	-	5,490	5,456
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	640	640
Dividends paid	-	-	-	-	-	(41,813)	(41,813)	-	-	(41,813)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(4,027)	(4,027)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	(15,259)	(15,259)	-	-	(15,259)
Issuance of ordinary shares by conversion of RCPS	11,000	(11,000)	-	-	-	-	-	-	-	-
Shares repurchased	-	-	(3,273)	-	-	-	(3,273)	-	-	(3,273)
	11,000	(11,000)	(3,273)	-	(34)	(57,072)	(60,379)	-	2,103	(58,276)
At 30.09.2024	830,378	92,509	(15,190)	126,369	(337,583)	929,891	1,626,374	223,000	235,156	2,084,530

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 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	-	-	-	-	-	103,720	103,720	-	14,126	117,846
Foreign currency translation reserve	-	-	-	4,044	-	-	4,044	-	(2,667)	1,377
Total comprehensive income for the financial period	-	-	-	4,044	-	103,720	107,764	-	11,459	119,223
Transactions with owners:										
Changes in equity interests in subsidiaries	-	-	-	-	(2,379)	-	(2,379)	-	(1,733)	(4,112)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	200	200
Strike off of subsidiary	-	-	-	-	-	-	-	-	(296)	(296)
Dividends paid	-	-	-	-	-	(37,743)	(37,743)	-	-	(37,743)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,221)	(1,221)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	(15,221)	(15,221)	-	-	(15,221)
Shares repurchased	-	-	(5,053)	-	-	-	(5,053)	-	-	(5,053)
	-	-	(5,053)	-	(2,379)	(52,964)	(60,396)	-	(3,050)	(63,446)
At 30.09.2023	819,378	103,509	(11,712)	128,642	(337,395)	723,686	1,426,108	223,000	161,494	1,810,602

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 September 2024

	Unaudited Current Period Ended 30.09.2024 RM'000	Unaudited Preceding Period Ended 30.09.2023 RM'000
Operating Activities		
Profit /(Loss) before tax		
- Continuing operations	336,453	180,539
- Discontinued operations	472	(5,036)
Adjustments for:		
Non-cash items	(131,643)	38,194
Other operating items	25,227	39,239
Operating profit before working capital changes	<u>230,509</u>	<u>252,936</u>
Changes in working capital:		
Inventories - land and property development costs	(218,284)	19,975
Inventories - completed properties and others	(949)	25,978
Contract assets	21,345	53,938
Contract liabilities	8	40,074
Receivables	2,118	73,484
Payables	62,112	(8,103)
	<u>(133,650)</u>	<u>205,346</u>
Cash generated from operations	96,859	458,282
Dividends received	300	180
Interest received	10,328	5,363
Interest paid	(36,941)	(46,541)
Tax paid	(68,914)	(70,330)
Tax refunded	15	1,493
	<u>(95,212)</u>	<u>(109,835)</u>
Net cash used in from operating activities	<u>1,647</u>	<u>348,447</u>
Investing Activities		
Additional investment in:		
- Financial assets measured at fair value through profit or loss ("FVTPL")	(26,000)	-
- Subsidiaries	-	(3,359)
Capital work-in-progress incurred	(25,525)	(548)
Deposits and consideration paid for the acquisition and joint venture of development lands	(148,221)	(45,182)
Net cash inflows/(outflows) from disposal of a subsidiaries	48,002	(53)
Net cash inflows from acquisition of a subsidiary	-	337
Proceeds from disposal of:		
- Assets held for sale	-	50
- Property, plant and equipment	4,325	557
- Right-of-use assets	430	165
Proceeds from acquisition of equity interest by non-controlling interests	640	200
Proceeds from share capital reduction	-	522
Purchase of:		
- Property, plant and equipment	(6,440)	(9,325)
- Right-of-use assets	(1,767)	(83)
Repayment of prior years' investment in subsidiaries	(30)	-
Net cash used in investing activities	<u>(154,586)</u>	<u>(56,719)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 30 September 2024 (cont'd)

	Unaudited Current Period Ended 30.09.2024 RM'000	Unaudited Preceding Period Ended 30.09.2023 RM'000
Financing Activities		
Decrease / (Increase) in fixed deposits pledged	16,934	(39,500)
Increase in cash and bank balances pledged	(11,745)	(6,887)
Drawdown of borrowings	1,081,036	382,938
Distribution to holders of Perpetual Sukuk	(15,259)	(15,221)
Dividend paid to non-controlling interests	(4,027)	(1,221)
Dividends paid	(41,813)	(37,743)
Shares repurchased	(3,273)	(5,053)
Repayment of borrowings	(774,941)	(491,124)
Net cash from/(used in) financing activities	<u>246,912</u>	<u>(213,811)</u>
Net increase in cash and cash equivalents	93,973	77,917
Effects of exchange translation differences on cash and cash equivalents	929	1,796
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>649,731</u>	<u>341,244</u>
Cash and cash equivalents at the end of the financial period comprises:		
Fixed deposits with licensed banks	238,741	64,258
Cash held under Housing Development Accounts	239,749	128,067
Cash and bank balances	245,872	284,867
Bank overdrafts	-	(63,729)
	<u>724,362</u>	<u>413,463</u>
Less : Fixed deposits pledged with licensed banks	(56,048)	(64,082)
Cash and bank balances pledged	(18,583)	(8,137)
	<u>649,731</u>	<u>341,244</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
Annual Improvements to MFRS Accounting Standards – Volume II		1 January 2026
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.

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

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

Except as disclosed in note A11(i) to this interim financial report, there were no other material unusual items affecting the Group's assets, liabilities, equity, net income, or cash flows during the financial period under review.

A6. Material changes in estimates

There were no material changes in estimates of amounts reported in the previous financial years that have a material effect on the results 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 5,161,100 of its ordinary shares in the open market for a total consideration of RM3,273,009 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

- (i) The Company has made an issuance of Sukuk Wakalah totalling RM200.00 million in nominal value.
- (ii) LBS Bina Holdings Sdn. Bhd. ("LBS Bina"), a direct wholly-owned subsidiary of the Company has made six issuances of Sukuk Murabahah totalling RM55.80 million in nominal value and out of which RM79.14 million of Sukuk Murabahah in nominal value has been redeemed.

A8. Dividend paid

During the financial quarter under review, a first interim single-tier dividend of 1.35 sen per ordinary share and a final single-tier dividend of 1.35 sen per ordinary share in respect of the financial year ended 31 December 2023 were paid on 16 July 2024 and 12 September 2024 respectively.

A9. Segmental Reporting

Period ended 30 September 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	1,110,010	405,844	109,455	8,041	50,216	1,683,566	10,506	1,694,072
Less: Inter-segment revenue	-	(385,887)	(108,337)	(180)	(41,641)	(536,045)	-	(536,045)
Revenue from external customers	1,110,010	19,957	1,118	7,861	8,575	1,147,521	10,506	1,158,027
Financial Results								
Segment results	210,036	27,295	167,282	1,330	(1,225)	404,718	5,058	409,776
Interest income	7,278	614	1,607	-	573	10,072	256	10,328
Finance costs	(21,952)	(4,134)	(23,654)	(1,212)	(3)	(50,955)	(646)	(51,601)
Depreciation	(4,683)	(15,518)	(4,177)	(1,719)	(1,583)	(27,680)	(4,197)	(31,877)
Share of profit/(loss) of associates, net of tax	-	299	-	-	(1)	298	-	298
Profit/(Loss) before tax	190,679	8,556	141,058	(1,601)	(2,239)	336,453	471	336,924
Taxation	(50,380)	(8,727)	(28,527)	-	(66)	(87,700)	880	(86,820)
Net profit/(loss) for the financial period	140,299	(171)	112,531	(1,601)	(2,305)	248,753	1,351	250,104
Assets								
Additions to non-current assets	153,649	36,983	1,390	127	138	192,287	465	192,752
Segment assets	3,176,660	321,325	483,840	73,512	392,881	4,448,218	-	4,448,218

Period ended 30 September 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	1,181,698	615,214	115,804	6,144	47,809	1,966,669	13,227	1,979,896
Less: Inter-segment revenue	-	(591,420)	(115,287)	(160)	(41,293)	(748,160)	-	(748,160)
Revenue from external customers	1,181,698	23,794	517	5,984	6,516	1,218,509	13,227	1,231,736
Financial Results								
Segment results	170,990	59,161	22,859	(996)	(2,206)	249,808	1,796	251,604
Interest income	4,174	373	279	-	64	4,890	473	5,363
Finance costs	(21,667)	(3,246)	(23,954)	(1,338)	(4)	(50,209)	(939)	(51,148)
Depreciation	(4,724)	(12,432)	(4,165)	(1,756)	(1,378)	(24,455)	(6,365)	(30,820)
Share of profit of associates, net of tax	-	132	-	-	373	505	-	505
Profit/(Loss) before tax	148,773	43,988	(4,981)	(4,090)	(3,151)	180,539	(5,035)	175,504
Taxation	(41,815)	(12,965)	(3,806)	-	(347)	(58,933)	1,275	(57,658)
Net profit/(loss) for the financial period	106,958	31,023	(8,787)	(4,090)	(3,498)	121,606	(3,760)	117,846
Assets								
Additions to non-current assets	72,726	24,780	1,863	828	106	100,303	689	100,992
Segment assets	3,167,192	210,875	354,495	76,664	145,260	3,954,486	211,610	4,166,096

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 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 DHCL’s 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.

On 8 November 2024, the Board of Directors of the Company announced that the above Proposed Disposal and Loan Settlement had completed on 8 November 2024.

- (ii) On 6 September 2024, LBS Bina had subscribed for 100 ordinary shares in LBS South Sphere Sdn. Bhd. (“LSSSB”) for a total cash consideration of RM100 only. Consequently, LSSSB became a wholly-owned subsidiary of LBS Bina.
- (iii) On 27 September 2024, Suria Hijauan Sdn. Bhd. (“SHSB”), a 51% subsidiary of Setara Armada Sdn. Bhd., (“SASB”) has increased its paid-up share capital from 100 to 1,000,000 ordinary shares. SASB has subscribed for an additional 509,949 ordinary shares in SHSB for a total cash consideration of RM509,949 only. Consequently, SHSB remain a 51% owned subsidiary of SASB.
- (iv) Changes of equity interest in MGB Berhad (“MGB”)

During the current quarter, the Company’s equity interest in MGB, a listed subsidiary of the Company has decreased from 57.98% to 57.56% as the result of the followings:

- a) disposed of 4,000,000 ordinary shares in MGB for a total cash consideration of RM3,420,000; and
- b) acquisition of 1,546,400 ordinary shares in MGB for a total cash consideration of RM1,204,047 only.

LBS BINA GROUP BERHAD (Registration No: 200001015875 (518482-H))**A12. Material events subsequent to the end of the financial period**

- (i) On 22 October 2024, LBS Bina had subscribed for 70 ordinary shares in Alam Central Sdn. Bhd. (“ACSB”) for a total cash consideration of RM70 only. Consequently, ACSB became a 70% owned subsidiary of LBS Bina.
- (ii) On 22 October 2024, LBS Healthcare Sdn. Bhd. (“LHSB”), a 60% owned subsidiary of LBS Wellness Holdings Sdn Bhd (“LWHSB”) has increased its paid-up share capital from 500,000 to 1,000,000 ordinary shares. LWHSB has subscribed for an additional 300,000 ordinary shares in LHSB for a total cash consideration of RM300,000 only. Consequently, LHSB remain a 60% owned subsidiary of LWHSB.
- (iii) On 24 October 2024, LBS Wellness Holdings Sdn Bhd (“LWHSB”), a wholly-owned subsidiary of the Company had subscribed for 60,000 ordinary shares in LBS Healthcare (AP) Sdn Bhd (“LHAPSB”) for a total cash consideration of RM60,000 only. Consequently, LHAPSB became a 60% owned subsidiary of LWHSB.

There were no other material subsequent events as at 22 November 2024, being the latest practicable date, which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 30 September 2024 were as follows:

	Amount RM'000
Approved and contracted for:	
a) Property development lands	372,164
b) Construction of right-of-use assets	31,986
c) Acquisition of property, plant and equipment	711
	<u>404,861</u>

A14. Contingent assets or contingent liabilities

	30.09.2024 RM'000	30.09.2023 RM'000
Bank guarantees for:		
- Property development	95,588	114,093
- Others	133	58
	<u>95,721</u>	<u>114,151</u>

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

A15. Significant related party transactions

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

	Amount RM'000
Income	
Rental income	5
Expenses	
Contractors' fees	8,757
Dividends paid	22,140
Lease expenses	35
Profit sharing to landowner	723
Rendering of services	1,875

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	
	30.09.2024	30.09.2023	%	30.09.2024	30.09.2023	%
	RM'000	RM'000		RM'000	RM'000	
<u>Continuing operations</u>						
Revenue						
Property Development	362,763	453,124	-20%	1,110,010	1,181,698	-6%
Construction and Trading	157,069	226,894	-31%	405,844	615,214	-34%
Management and Investment	58,031	33,078	75%	109,455	115,804	-5%
Hotel	2,969	2,913	2%	8,041	6,144	31%
Others	21,483	16,523	30%	50,216	47,809	5%
	<u>602,315</u>	<u>732,532</u>	-18%	<u>1,683,566</u>	<u>1,966,669</u>	-14%
Less: Inter-segment revenue	<u>(224,922)</u>	<u>(265,673)</u>	15%	<u>(536,045)</u>	<u>(748,160)</u>	28%
	<u>377,393</u>	<u>466,859</u>	-19%	<u>1,147,521</u>	<u>1,218,509</u>	-6%
Profit/(Loss) after tax						
Property Development	38,863	40,084	-3%	140,299	106,958	31%
Construction and Trading	1,743	9,389	-81%	(171)	31,023	-101%
Management and Investment	128,588	(2,178)	6004%	112,531	(8,787)	1381%
Hotel	115	(720)	116%	(1,601)	(4,090)	61%
Others	<u>(68)</u>	<u>(668)</u>	90%	<u>(2,305)</u>	<u>(3,498)</u>	34%
Profit after tax from continuing operations	<u>169,241</u>	<u>45,907</u>	269%	<u>248,753</u>	<u>121,606</u>	105%
<u>Discontinued operations</u>						
Loss after tax from discontinued operations	<u>2,747</u>	<u>(1,170)</u>	335%	<u>1,351</u>	<u>(3,760)</u>	136%
Profit after tax	<u>171,988</u>	<u>44,737</u>	284%	<u>250,104</u>	<u>117,846</u>	112%

For the current quarter ("3Q2024"), the Group recorded revenue of RM377 million and profit after tax ("PAT") of RM172 million as compared to revenue of RM467 million and PAT of RM45 million in the previous year corresponding quarter.

For the nine months ended 30 September 2024 ("PTD2024"), the Group achieved revenue of RM1.15 billion and PAT of RM250 million as compared to revenue of RM1.22 billion and PAT of RM118 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 3Q2024 is as follows:

Continuing operations

Property Development

For the PTD2024, Property Development segment recorded revenue of RM1.11 billion and PAT of RM140 million respectively as compared to revenue of RM1.18 billion and PAT of RM107 million in the same period last year.

Property development remained to be the top contributor to the Group's revenue at RM1.11 billion or 96% 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 91% of the Group's revenue for the PTD2024.

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

The decrease in revenue was mainly due to the completion or near completion of certain development projects.

The increase in PAT was mainly due to the Group's ongoing effort on cost management.

Construction and Trading

For the PTD2024, Construction and Trading segment achieved revenue and loss after tax ("LAT") of RM406 million and RM171 thousand respectively as compared to revenue of RM615 million and PAT of RM31 million in the same period last year.

The decrease in revenue and PAT were mainly due to projects completion, certain projects were near their completion stage with minimal progress and increase in administrative expenses.

Management and Investment

For the PTD2024, Management and Investment segment achieved revenue and PAT of RM109 million and RM113 million respectively as compared to revenue of RM116 million and LAT of RM9 million in the same period last year.

The decrease in revenue was mainly due to lower intra-group income from project management fees. The improvement in PAT was mainly due to the one-off gain after tax of approximately RM137 million derived from the disposal of investment in LIL Group.

Hotel

For the PTD2024, Hotel operations recorded revenue of RM8 million and LAT of RM1.6 million as compared to revenue of RM6.1 million and LAT of RM4.1 million in the same period last year.

The improvement in revenue and LAT were mainly due to higher room occupancy rates and increase in income from tourism, food and beverages, government and corporate events.

B1. Review of Group performance (cont'd)

The analysis of the performance of the respective operating business segment for the 3Q2024 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 RM50 million and LAT of RM2.3 million as compared to revenue of RM48 million and LAT of RM3.5 million in the same period last year.

The improvement in revenue and LAT were mainly due to increase in income from rental and mall business.

Discontinued operations

Discontinued operations mainly comprise of motor racing circuit.

For the PTD2024, discontinued operations recorded revenue of RM10.5 million and PAT of RM1.4 million as compared to revenue of RM13.2 million and LAT of RM3.8 million in the same period last year.

The decrease in revenue and increase in PAT were mainly due to the disposal of investment in LIL Group which was completed on 10 July 2024.

Relevant details are disclosed in note A11(i) to this interim financial report.

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

	Current Quarter 30.09.2024 RM'000	Immediate Preceding Quarter 30.06.2024 RM'000	Changes (%)
<u>Continuing operations</u>			
Revenue	377,393	431,852	-13%
<u>PAT/(LAT)</u>			
- Continuing operations	169,241	43,088	293%
- Discontinued operations	2,747	(179)	-1635%
	171,988	42,909	301%

For the 3Q2024, the Group achieved revenue of RM377 million and PAT of 169 million as compared to revenue of RM432 million and PAT of RM43 million in the immediate preceding quarter.

The decrease in revenue was mainly due to the completion or near completion of certain development projects in 3Q2024.

The increase in PAT from continuing operations was mainly attributable to the one-off gain derived from the disposal of investment in LIL Group.

B3. Group's prospects for the current financial year

For the 3Q2024, the Group's profit after tax and non-controlling interests surged four-fold to RM164.5 million, due to the one-off gain after tax of RM137 million from the disposal of its investment in LIL group.

In light of the one-off gain, coupled with the Group's dedication to maximise shareholders' value and deliver consistent returns, the Group has announced a special dividend of 2.6 sen per share, which is payable on 30 December 2024. This represents a payout ratio of 30% of the said gain after tax.

As at 28 November 2024, the Group has secured total property sales of RM1.21 billion with RM183.5 million in bookings. This was mainly driven by the Klang Valley region, our biggest contributor to property sales at 85%. KITA @ Cybersouth, an affordable township popular among young families, continued to record encouraging sales of the KITA Bestari townhouse units and KITA Sejati apartment units. In the industrial segment, sales at Alam Perdana Central Hub ("APCH") also remained robust as demand for light and medium factories continued to be driven by small and medium enterprises.

With one month remaining until the financial year ends on 31 December 2024, it is unlikely the Group will be able to achieve its full year sales target of RM1.8 billion, due to deferred launches caused by a lengthy approval process. Nevertheless, we remain confident in our strategy and look forward to a robust performance when these projects come to market.

The Group is also pleased to have unveiled the 315-acre Rimbawan Township in October 2024. This premier eco-conscious project, located in Genting Highlands, is poised to generate a Gross Development Value (GDV) exceeding RM9.5 billion. In conjunction with the roll out, the Group launched Rimbawan's first high-rise residential project – Bayu Hills serviced apartments, which consists of 642 residential units. With a GDV of RM453 million, Bayu Hills is expected to contribute positively to the Group's revenue and earnings over the mid to long term.

As at 28 November 2024, the Group has a total landbank of 3,746 acres, ensuring a sustainable pipeline of development projects ahead. Backed by unbilled sales of RM1.67 billion, the Group reflects strong revenue and earnings visibility ahead.

Meanwhile, the appointment of Solarvest Holdings Berhad ("Solarvest") as the Engineering, Procurement, Construction, and Commissioning ("EPCC") contractor in October 2024 marks the Group's strategic entry into the renewable energy sector under the Corporate Green Power Programme ("CGPP"). This initiative not only aligns with the Group's environmental goals, but also develops new, recurring revenue streams, enhancing our long-term earnings visibility. Moreover, it complements the Group's core business of property development by enhancing our future product offerings with renewable energy solutions.

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	Preceding year	Current year	Preceding year
	Quarter	Quarter	To date	To date
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
<u>Malaysian income tax</u>				
Current tax provision	15,725	22,274	66,318	56,426
Under/(Over) provision in prior year	2,478	(169)	3,041	(169)
Deferred tax	(1,010)	(2,816)	(9,477)	2,676
Total tax expense	17,193	19,289	59,882	58,933
<u>Foreign income tax</u>				
Current tax provision	27,818	-	27,818	-
Total taxation	45,011	19,289	87,700	58,933

Malaysian income tax

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.

Foreign income tax

Enterprise income tax of the Peoples' Republic of China of approximately RM28mil has been provided on income from the disposal of investment in LIL Group. Relevant details are disclosed in note A11(i) to this interim financial report.

B6. Status of corporate proposals

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 22 November 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 22 November 2024, out of sixteen issuances of Sukuk Murabahah totalling RM212.70 million in nominal value, LBS Bina has redeemed Sukuk Murabahah totalling RM162.04 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 22 November 2024, the Company has 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 have not been completed as at 22 November 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. ("CISB") 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.

On 7 October 2024, the Board of Directors of the Company announced that both parties have agreed to extend the Compliance Period (which is expiring on 7 October 2024) for another 12 months to 7 October 2025 for the fulfilment of the Conditions Precedent as stipulated in the Reclamation and Development Agreement dated 8 April 2021.

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 have not been completed as at 22 November 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, 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 21 July 2023, the Company announced that the Conditions Precedent ("CP") in the SPA have yet to be fulfilled within Conditional Period as defined in the SPA. CISB has prior to the expiry date hereof requested for such 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.

On 5 September 2023, the Company announced that PSKP has agreed to extend the period to fulfil 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 announced 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.

On 30 August 2024, the Board of Directors of the Company announced that PSKP has agreed to extend the Compliance Period (which is expiring on 21 July 2024) for the fulfilment the CP pursuant to the terms of the SPA to 21 July 2025.

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.

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 22 November 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)

- (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.

- (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").

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 22 November 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)

(xi) Cont'd

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.

As at 22 November 2024, the Company has made an issuance of RM200.0 million in nominal value pursuant to the Sukuk Wakalah Programme.

(xii) On 14 November 2024, the Company signed a Memorandum of Understanding ("MOU") with Invest Sabah Berhad, Sabah Forestry Development Authority ("SAFODA") and Midwest Green Sdn. Bhd. ("MGSB") (collectively as the "Parties") to collaborate and develop co-operation between the Parties in exploring the feasibility of promoting innovative renewable energy projects in Sabah which among others include the proposed implementation of a 10GW Green Hydrogen Plant ("Project").

This MOU shall be effective from the date of MOU and valid for a period of twelve (12) months. It may be extended for a period to be mutually agreed by the Parties in writing.

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").

B6. Status of corporate proposals (cont'd)

The following is the status of corporate proposals that have been announced by the Company but have not been completed as at 22 November 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 (cont'd)

- (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: (cont'd)

- (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.

On 15 November 2024, the Board of Directors of the MGB announced that the MOU had expired pursuant to the terms of the MOU ("MOU Expiry").

Following the MOU Expiry, neither party shall have any claim whatsoever, directly or indirectly, against the other in respect of the MOU. The MOU Expiry will not have any material financial impact on MGB and its subsidiaries.

- (iv) On 10 October 2024, MGB's indirect wholly-owned subsidiary, Prisma Kasturi Sdn. Bhd. ("PKSB") had entered into a Joint Venture Agreement ("JVA") with Kandis Permai Sdn. Bhd. ("KPSB") to jointly develop the four parcels of Malay Reserve Land with total area measuring approximately 38427.93 square meters (9.50 acres) identified as Lot 8394, Lot 8395, Lot 8396 and Lot 8397 located in Jalan Bukit Serdang 11/14, Mukim Petaling, Daerah Petaling Negeri Selangor ("Development Land") into residential units or any other development to be determined at the absolute discretion of the Developer in accordance with the Approved Layout Plans.

The JVA has not been completed as the Conditions Precedent therein have not been fulfilled.

- (v) On 10 October 2024, PKSB had entered into a Joint Venture Agreement ("JVA") with Talam Transform Berhad ("TTB") to jointly develop all that parcel of land measuring approximately 16.50 acres ("Development Land") which is forming part of the master land held under H.S.(D) 146408 PT 51440 in Mukim Petaling Daerah Petaling, Negeri Selangor with total area measuring approximately 245,400 square meters (60.639 acres) into a mixed development comprising of commercial units and affordable home units pursuant to affordable housing scheme implemented by the State Government of Selangor from time to time ("Affordable Homes") on the Development Land and/or such other development to be determined by the Developer in accordance with the Approved Plans including any subsequent variations therefrom or amendments thereto as have been agreed and/or approved by the relevant Government.

The JVA has not been completed as the Conditions Precedent therein have not been fulfilled.

B7. Borrowings and debt securities

The Group borrowings and debt securities were as follows:

Period ended 30.09.2024

	<u>Long-term</u> RM'000	<u>Short-term</u> RM'000	<u>Total borrowings</u> RM'000
<u>Secured</u>			
Borrowings	312,207	431,744	743,951
Lease liabilities	14,727	12,959	27,686
Sukuk	232,290	4,452	236,742
Total borrowings	559,224	449,155	1,008,379

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 22 November, 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

On 29 November 2024, the Board of Directors declared a special single-tier dividend of 2.6 sen per ordinary share in respect of the financial year ending 31 December 2024. The entitlement date and payment date are 16 December 2024 and 30 December 2024 respectively.

B10. Earnings per share (“EPS”)

Basic EPS

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

	Current Period to Date 30.09.2024	Preceding Period to Date 30.09.2023
Adjusted net profit/(loss) attributable to ordinary equity holders (RM'000)		
- Continuing operations	215,283	90,817
- Discontinued operations	1,687	(2,318)
Total	<u>216,970</u>	<u>88,499</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,544,885</u>	<u>1,543,653</u>
Basic EPS (sen)		
- Continuing operations	13.93	5.88
- Discontinued operations	0.11	(0.15)
Total	<u>14.04</u>	<u>5.73</u>

Diluted EPS

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

	Current Period to Date 30.09.2024	Preceding Period to Date 30.09.2023
Adjusted net profit/(loss) attributable to ordinary equity holders (RM'000)		
- Continuing operations	215,283	90,817
- Discontinued operations	1,687	(2,318)
Total	<u>216,970</u>	<u>88,499</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>1,544,885</u> #	<u>1,543,653</u> #
Diluted EPS (sen)		
- Continuing operations	13.93	5.88
- Discontinued operations	0.11	(0.15)
Total	<u>14.04</u>	<u>5.73</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 30.09.2024 RM'000	Current Year To Date 30.09.2024 RM'000
Allowance for impairment losses on receivables	51	503
Bad debts written off	370	545
Deposits written off	1	106
Depreciation of:		
- Investment properties	684	2,053
- Property, plant and equipment	3,181	10,051
- Right-of-use assets	5,392	19,773
Inventories written down	-	61
Net foreign exchange loss	4,820	6,134
Property development costs written off	3	3
Property, plant and equipment written off	(8)	99
Provision for retirement benefits	2,164	6,529
Provision for staff economic compensation	-	38
Waiver of interest income	-	19
Contingency sum accrued in prior years no longer required	(17,427)	(20,940)
Dividend income from financial assets measured at FVTPL	(128)	(128)
Fair value gain on revaluation on financial assets measured at FVTPL	(90)	(90)
Net fair value adjustment on trade receivables	4	(59)
Net gain on disposal of:		
- Right-of-use assets	(40)	(429)
- Property, plant and equipment	(2,753)	(3,904)
- Subsidiary	(164,729)	(164,729)
Reversal of allowance for impairment losses on receivables	(441)	(812)

By Order of the Board,

Dato' Lim Mooi Pang
Executive Director

Petaling Jaya, Selangor Darul Ehsan
29 November 2024