

Condensed Consolidated Statement of Financial Position
As at 30 April 2023
(The figures have not been audited)

	As at 30-Apr-23 RM'000	(Audited) As at 31-Jul-22 RM'000
Assets		
Non-current assets		
Property, plant and equipment	66,798	60,269
Right-of-use assets	329	1,378
Investment property	9,345	9,345
Investment in an associate	436	436
	<u>76,908</u>	<u>71,428</u>
Current assets		
Inventories	43,184	89,755
Property development expenditure	74,695	74,383
Trade and other receivables	68,881	50,451
Derivative financial assets	467	238
Current tax assets	1,152	-
Fixed deposit placed at a licensed bank	711	710
Short term deposit placed at licensed banks	47,619	10,600
Short term funds	-	89
Cash and bank balances	4,096	25,663
	<u>240,805</u>	<u>251,889</u>
Total assets	<u><u>317,713</u></u>	<u><u>323,317</u></u>
Equity and Liabilities		
Share capital	90,644	90,172
Share options reserve	1,046	1,153
Retained earnings	76,945	72,308
Equity attributable to owners of the parent	168,635	163,633
Non-controlling interests	(7,142)	(4,986)
Total equity	<u>161,493</u>	<u>158,647</u>
Liabilities		
Non-current liabilities		
Borrowings	56,380	56,380
Deferred tax liabilities	4,013	2,440
	<u>60,393</u>	<u>58,820</u>
Current liabilities		
Trade and other payables	47,987	57,046
Borrowings	47,489	45,124
Derivative financial liabilities	5	764
Lease liabilities	346	1,419
Current tax liabilities	-	1,497
	<u>95,827</u>	<u>105,850</u>
Total liabilities	156,220	164,670
Total equity and liabilities	<u><u>317,713</u></u>	<u><u>323,317</u></u>
	RM	RM
Net assets per ordinary share	<u>0.94</u>	<u>0.92</u>

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial period ended 30 April 2023
(The figures have not been audited)

	Current quarter ended		Cumulative period ended	
	30-Apr-23 RM'000	30-Apr-22 RM'000	30-Apr-23 RM'000	30-Apr-22 RM'000
Revenue	161,099	200,040	474,138	587,282
Operating expenses	(159,862)	(189,721)	(464,597)	(565,996)
Other income/(expenses), net	3,084	(3,313)	4,571	(3,066)
Profit from operations	4,321	7,006	14,112	18,220
Share of loss in an associate, net of tax	-	-	-	(2)
Profit before interest and tax	4,321	7,006	14,112	18,218
Interest expenses	(1,292)	(901)	(3,832)	(3,434)
Profit before tax	3,029	6,105	10,280	14,784
Tax expenses	(570)	(1,502)	(2,887)	(4,148)
Profit for the financial period	2,459	4,603	7,393	10,636
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial period	2,459	4,603	7,393	10,636
Profit/(Loss) attributable to:				
- Owners of the parent	3,107	5,275	9,549	13,581
- Non-controlling interests	(648)	(672)	(2,156)	(2,945)
	2,459	4,603	7,393	10,636
Total comprehensive income/(loss) attributable to:				
- Owners of the parent	3,107	5,275	9,549	13,581
- Non-controlling interests	(648)	(672)	(2,156)	(2,945)
	2,459	4,603	7,393	10,636
Earnings per ordinary share attributable to equity holders of the parent:				
- Basic earnings per ordinary share (sen)	1.77	3.02	5.44	7.76
- Diluted earnings per ordinary share (sen)	1.77	3.00	5.44	7.73

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022.

Condensed Consolidated Statement of Changes in Equity
For the financial period ended 30 April 2023
(The figures have not been audited)

	Share capital RM'000	Share options reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 August 2021	87,604	1,740	57,644	146,988	(1,403)	145,585
Total comprehensive income for the financial period	-	-	13,581	13,581	(2,945)	10,636
Transactions with owners:						
Dividend paid	-	-	(4,000)	(4,000)	-	(4,000)
Ordinary shares issued pursuant to ESOS	2,568	(587)	-	1,981	-	1,981
	2,568	(587)	(4,000)	(2,019)	-	(2,019)
Balance as at 30 April 2022	<u>90,172</u>	<u>1,153</u>	<u>67,225</u>	<u>158,550</u>	<u>(4,348)</u>	<u>154,202</u>
Balance as at 1 August 2022	90,172	1,153	72,308	163,633	(4,986)	158,647
Total comprehensive income for the financial period	-	-	9,549	9,549	(2,156)	7,393
Transactions with owners:						
Dividend paid	-	-	(4,912)	(4,912)	-	(4,912)
Ordinary shares issued pursuant to ESOS	472	(107)	-	365	-	365
	472	(107)	(4,912)	(4,547)	-	(4,547)
Balance as at 30 April 2023	<u>90,644</u>	<u>1,046</u>	<u>76,945</u>	<u>168,635</u>	<u>(7,142)</u>	<u>161,493</u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022.

Condensed Consolidated Statement of Cash Flow
For the financial period ended 30 April 2023
(The figures have not been audited)

	Period ended 30-Apr-23 RM'000	Period ended 30-Apr-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,280	14,784
Adjustments for:		
Interest income	(435)	(173)
Interest expenses	3,832	3,434
Bad debt written off	-	17
Depreciation of property, plant and equipment	2,923	3,046
Depreciation of right-of-use assets	1,048	1,001
Fair value loss on short term funds	(1)	(92)
Gain on disposal of property, plant and equipment	-	(93)
Property, plant and equipment written off	1	-
Impairment loss on trade receivables	41	105
Unrealised gain on derivative instruments	(988)	(537)
Unrealised loss on foreign exchange	264	2,155
Share of loss in an associate	-	2
Operating profit before changes in working capital	<u>16,965</u>	<u>23,649</u>
Changes in working capital:		
Inventories	46,571	(21,577)
Property development expenditure	(312)	(348)
Trade and other receivables	(18,055)	(27,751)
Trade and other payables	<u>(11,568)</u>	<u>17,211</u>
Cash generated from/(used in) operations	33,601	(8,816)
Tax paid	<u>(3,963)</u>	<u>(4,334)</u>
Net cash from/(used in) operating activities	<u>29,638</u>	<u>(13,150)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	435	173
Placements of fixed deposit pledged to a licensed bank	(1)	-
Advance to an associate	(2)	-
Purchase of property, plant and equipment	(9,453)	(13,487)
Proceed from disposal of plant and equipment	-	93
Net advances from related parties	<u>2,091</u>	<u>-</u>
Net cash used in investing activities	<u>(6,930)</u>	<u>(13,221)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(3,481)	(3,338)
Dividend paid	(4,912)	(4,000)
Net movements in borrowings	1,798	29,432
Payment of lease liabilities	(1,115)	(1,080)
Proceeds from ordinary shares issued pursuant to ESOS exercised	<u>365</u>	<u>1,981</u>
Net cash (used in)/from financing activities	<u>(7,345)</u>	<u>22,995</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	15,363	(3,376)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>36,352</u>	<u>30,481</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>51,715</u></u>	<u><u>27,105</u></u>
COMPOSITION OF CASH AND CASH EQUIVALENTS:		
Fixed deposit placed at a licensed bank	711	698
Short term deposit placed at licensed banks	47,619	230
Short term funds	-	9,208
Cash and bank balances	<u>4,096</u>	<u>17,667</u>
	52,426	27,803
Less: Fixed deposit pledged to a licensed bank	<u>(711)</u>	<u>(698)</u>
	<u><u>51,715</u></u>	<u><u>27,105</u></u>

These condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2022.

Notes to the Financial Statements
For the financial period ended 30 April 2023

A Explanatory Notes

A1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2022. The explanatory notes to these financial statements 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 July 2022.

A2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2022 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations ("IC Interpretations"):

a) Adoption of New MFRSs and Amendments to MFRSs

	Effective Date
Annual Improvements to MFRS Standards 2018-2020	1 Jan 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 Jan 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 Jan 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 Jan 2022

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

b) MFRSs and Amendments to MFRSs issued but not yet effective

	Effective Date
Amendments to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 – Comparative Information)</i>	1 Jan 2023
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 Jan 2023
MFRS 17 <i>Insurance Contracts</i>	1 Jan 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements - Disclosure of Accounting Policies</i>	1 Jan 2023
Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates</i>	1 Jan 2023
Amendments to MFRS 112 <i>Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 Jan 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

A3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 31 July 2022.

A4 Seasonal or cyclical factors

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

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter under review and financial period to-date.

Notes to the Financial Statements
For the financial period ended 30 April 2023

A Explanatory Notes

A6 Change in estimates

There were no significant changes in estimates that have a material effect for the current quarter under review and financial period to-date.

A7 Debt and equity securities

During the current quarter and financial period ended 30 April 2023, the Company had allotted and issued 103,000 and 793,000 new ordinary shares respectively pursuant to the ESOS.

Subsequent to the financial period ended 30 April 2023 and up to the date of this report, the Company did not allot and issue any new ordinary shares pursuant to the ESOS.

As at the date of this report, the unexercised options pursuant to A-Rank's ESOS granted and accepted by eligible Directors and employees are 5,675,200 options.

Other than as disclosed above, there were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter under review and financial period to-date and up to the date of this report.

A8 Dividend paid

A first and final single-tier dividend of 2.75 sen per ordinary share, amounting to RM4.9 million in respect of the previous financial year ended 31 July 2022 was paid on 21 December 2022.

A9 Segmental information

The Group is principally engaged in investment holding, manufacturing and marketing of aluminium billets and property development. Its operating segments are presented based on products and services. The performance of each segment is measured based on the internal management report reviewed by chief operating decision maker.

(a) Business segments

	Aluminium RM'000	Property development RM'000	Total RM'000
Revenue			
Revenue from external customers	474,138	-	474,138
Results			
Profit/(Loss) from operations	14,529	(417)	14,112
Interest expense	(1,434)	(2,398)	(3,832)
Share of profit in an associate	-	-	-
Profit/(Loss) before tax	13,095	(2,815)	10,280
Tax expenses	(2,887)	-	(2,887)
Profit/(Loss) after tax	10,208	(2,815)	7,393
Assets			
Segment assets	230,162	85,496	315,658
Investment in an associate	436	-	436
Current tax assets	1,152	-	1,152
Derivative financial assets	467	-	467
	232,217	85,496	317,713
Liabilities			
Segment liabilities	30,224	17,763	47,987
Borrowings	47,489	56,380	103,869
Lease liabilities	346	-	346
Derivative financial liabilities	5	-	5
Deferred tax liabilities	4,013	-	4,013
	82,077	74,143	156,220

Notes to the Financial Statements
For the financial period ended 30 April 2023

A Explanatory Notes

A9 Segmental information (Cont'd)

(b) Geographical information

The Group operates only in Malaysia.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers. The reportable segments are Malaysia, South East Asia other than Malaysia, South Asia and others⁽¹⁾.

⁽¹⁾ Other operating segments comprise countries in South Africa and Europe.

Segment assets are based on the geographical location of the assets of the Group.

	Cumulative period ended	
	30-Apr-23	30-Apr-22
	RM'000	RM'000
<u>Revenue from external customers</u>		
South East Asia other than Malaysia	119,401	139,778
South Asia	72,979	75,497
Others	1,847	3,930
	<u>194,227</u>	<u>219,205</u>
Oversea	279,911	368,077
Malaysia	<u>474,138</u>	<u>587,282</u>
	As at	As at
	30-Apr-23	31-Jul-22
	RM'000	RM'000
<u>Segment assets</u>		
Malaysia	305,826	316,934
South East Asia other than Malaysia	11,293	4,801
South Asia	594	1,582
Others	-	-
	<u>317,713</u>	<u>323,317</u>

A10 Contingent liabilities

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	As at	As at
	30-Apr-23	31-Jul-22
	RM'000	RM'000
Corporate guarantees given to financial institutions for banking facilities utilised by a subsidiary	<u>47,489</u>	<u>45,124</u>

The Company provided corporate guarantees for banking facilities granted to a subsidiary with limits of RM118.0 million and USD10.0 million (31 July 2022: RM88.0 million and USD10.0 million).

A11 Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review and financial period to-date.

Notes to the Financial Statements
For the financial period ended 30 April 2023

A Explanatory Notes

A12 Capital commitments

At the end of the current quarter, the capital commitments of the Group are as follows:

	As at 30-Apr-23 RM'000	As at 31-Jul-22 RM'000
Capital expenditures in respect of purchase of property, plant and equipment:		
- Approved and contracted for	1,469	7,365
- Approved but not contracted for	<u>209</u>	<u>3,761</u>
	<u><u>1,678</u></u>	<u><u>11,126</u></u>

A13 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review and financial period to-date.

A14 Related party transactions

During the current quarter under review and cumulative period, the material business transactions entered by the Group with related parties in which a Director has substantial financial interests were as follows:

	Current quarter ended		Cumulative period ended	
	30-Apr-23 RM'000	30-Apr-22 RM'000	30-Apr-23 RM'000	30-Apr-22 RM'000
<u>Formosa Shyen Hornq Metal Sdn Bhd</u>				
- Sales to LB Aluminium Berhad	16,724	31,387	56,816	114,292
- Sales to LB Aluminium (Sarawak) Sdn Bhd	<u>3,738</u>	<u>8,509</u>	<u>11,812</u>	<u>17,133</u>

The related parties transactions described above were carried out in the ordinary course of business on normal commercial terms.

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance

	Aluminium RM'000	Property development RM'000	Total RM'000
<u>Current quarter ended 30 April 2023</u> <u>("2023-Q3")</u>			
Revenue from external customers			
- Malaysia	93,054	-	93,054
- Oversea	68,045	-	68,045
Total revenue	<u>161,099</u>	<u>-</u>	<u>161,099</u>
<u>Results</u>			
Profit/(Loss) from operations	4,442	(121)	4,321
Interest expense	(540)	(752)	(1,292)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	3,902	(873)	3,029
Tax expenses	(570)	-	(570)
Profit/(Loss) after tax	<u>3,332</u>	<u>(873)</u>	<u>2,459</u>
<u>Current quarter ended 30 April 2022</u> <u>("2022-Q3")</u>			
Revenue from external customers			
- Malaysia	117,354	-	117,354
- Oversea	82,686	-	82,686
Total revenue	<u>200,040</u>	<u>-</u>	<u>200,040</u>
<u>Results</u>			
Profit/(Loss) from operations	7,122	(116)	7,006
Interest expense	(173)	(728)	(901)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	6,949	(844)	6,105
Tax expenses	(1,502)	-	(1,502)
Profit/(Loss) after tax	<u>5,447</u>	<u>(844)</u>	<u>4,603</u>
<u>Variance (2023-Q3 vs 2022-Q3)</u>			
Total Revenue	-19.5%	N/A	-19.5%
Profit/(Loss) from operations	-37.6%	4.3%	-38.3%
Profit/(Loss) before tax	-43.8%	3.4%	-50.4%
Profit/(Loss) after tax	-38.8%	3.4%	-46.6%

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance (Cont'd)

	Aluminium RM'000	Property development RM'000	Total RM'000
Cumulative period ended 30 April 2023 ("2023-Q1 to Q3")			
Revenue from external customers			
- Malaysia	279,911	-	279,911
- Oversea	194,227	-	194,227
Total revenue	474,138	-	474,138
Results			
Profit/(Loss) from operations	14,529	(417)	14,112
Interest expense	(1,434)	(2,398)	(3,832)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	13,095	(2,815)	10,280
Tax expenses	(2,887)	-	(2,887)
Profit/(Loss) after tax	10,208	(2,815)	7,393
Cumulative period ended 30 April 2022 ("2022-Q1 to Q3")			
Revenue from external customers			
- Malaysia	368,077	-	368,077
- Oversea	219,205	-	219,205
Total revenue	587,282	-	587,282
Results			
Profit/(Loss) from operations	18,576	(356)	18,220
Interest expense	(425)	(3,009)	(3,434)
Share of loss in an associate	(2)	-	(2)
Profit/(Loss) before tax	18,149	(3,365)	14,784
Tax expenses	(4,148)	-	(4,148)
Profit/(Loss) after tax	14,001	(3,365)	10,636
Variance (2023-Q1 to Q3 vs 2022-Q1 to Q3)			
Total Revenue	-19.3%	N/A	-19.3%
Profit/(Loss) from operations	-21.8%	17.1%	-22.5%
Profit/(Loss) before tax	-27.8%	-16.3%	-30.5%
Profit/(Loss) after tax	-27.1%	-16.3%	-30.5%

**Notes to the Financial Statements
For the financial period ended 30 April 2023**

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance (Cont'd)

For the current quarter

The Group's revenue decreased by 19.5% to RM161.1 million for the quarter under review compared to RM200.0 million for the corresponding quarter last year. The decrease in revenue was due to lower average selling prices compared to the corresponding quarter last year.

The Group's profit before tax for the current quarter decreased to RM3.0 million compared to the RM6.1 million for corresponding quarter last year. The aluminium segment had reported lower profit before tax of RM3.9 million for the quarter under review against RM6.9 million for the corresponding quarter last year mainly due to lower margins as a result higher production costs caused mainly by higher electricity and gas prices.

The property development segment reported a loss before tax of RM0.9 million for the quarter under review compared to a loss of RM0.8 million for the corresponding quarter last year.

The Group reported lower profit after tax of RM2.5 million for the current quarter compared to a profit after tax of RM4.6 million for the corresponding quarter last year in line with the lower profit before tax.

For the cumulative period

For the cumulative 9-month period ended 30 April 2023, the Group recorded a revenue of RM474.1 million, a decrease by 19.3% compared to RM587.3 million for the corresponding period last year. The decrease in revenue was due mainly to the both lower business volume and average selling prices.

The Group's profit before tax for the 9-month period decreased by 30.5% to RM10.3 million from RM14.8 million. The decrease was attributed by the aluminium segment which reported a profit before tax of RM13.1 million for the cumulative period under review compared to RM18.1 million for the corresponding period last year due to lower business volume and higher production costs.

The property development segment, however, reported a lower loss before tax of RM2.8 million for the 9-month period compared to RM3.4 million for corresponding period last year due mainly to reduced interest expenses.

The Group reported a decrease in profit after tax to RM7.4 million for the the 9-month period under review in line with the lower profit before taxation as compared to the corresponding period last year.

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B2 Variance of results against preceding quarter

	Aluminium RM'000	Property development RM'000	Total RM'000
<u>Current quarter ended 30 April 2023</u> <u>("2023-Q3")</u>			
Revenue from external customers			
- Malaysia	93,054	-	93,054
- Oversea	68,045	-	68,045
Total revenue	<u>161,099</u>	<u>-</u>	<u>161,099</u>
<u>Results</u>			
Profit/(Loss) from operations	4,442	(121)	4,321
Interest expense	(540)	(752)	(1,292)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	3,902	(873)	3,029
Tax expenses	(570)	-	(570)
Profit/(Loss) after tax	<u>3,332</u>	<u>(873)</u>	<u>2,459</u>
<u>Preceding quarter ended 31 January</u> <u>2023 ("2023-Q2")</u>			
Revenue from external customers			
- Malaysia	88,364	-	88,364
- Oversea	66,505	-	66,505
Total revenue	<u>154,869</u>	<u>-</u>	<u>154,869</u>
<u>Results</u>			
Profit/(Loss) from operations	4,773	(172)	4,601
Interest expense	(572)	(849)	(1,421)
Share of loss in an associate	-	-	-
Profit/(Loss) before tax	4,201	(1,021)	3,180
Tax expenses	(1,055)	-	(1,055)
Profit/(Loss) after tax	<u>3,146</u>	<u>(1,021)</u>	<u>2,125</u>
<u>Variance (2023-Q3 vs 2023-Q2)</u>			
Total Revenue	4.0%	N/A	4.0%
Profit/(Loss) from operations	-6.9%	-29.7%	-6.1%
Profit/(Loss) before tax	-7.1%	-14.5%	-4.7%
Profit/(Loss) after tax	5.9%	-14.5%	15.7%

The Group's revenue increased by 4.0% for the quarter under review compared to RM154.9 million registered for the preceding quarter. The increase in revenue was mainly due to higher business volume compared to the preceding quarter.

The Group reported profit before tax for the current quarter of RM3.0 million compared to the preceding quarter of RM3.2 million, a decrease of 4.7%. The decrease was attributed by the aluminium segment which reported a lower profit before tax of RM3.9 million for quarter under review compared to RM4.2 million for the preceding quarter.

The Group registered an increase in profit after tax of 15.7% for the current quarter under review compared to RM2.1 million recorded for the preceding quarter due to lower tax expenses.

**Notes to the Financial Statements
For the financial period ended 30 April 2023**

B Additional information required by the Bursa Securities' Listing Requirements

B3 Prospects

The global economy is expected to grow at a slower pace in 2023. The recent episodes of banking stress in some advanced economies are also expected to negatively affect growth to some degree. This is driven by more cautious lending behaviour among banks. Global investors maintained a cautious outlook, particularly for advanced economies, as the IMF downgraded its global economic growth expectations. At the same time, global financial conditions continued to be affected by US banking sector developments, as policy rate expectations for the US Federal Reserve shifted lower. Nonetheless, several positive factors such as China's reopening, resilient labour market, easing of supply chain conditions and recovery in services activity, particularly tourism will offer some support growth.

The Malaysian economy is expected to continue to expand amid slower external demand. Growth will be driven by domestic demand, supported by improving labour market conditions, higher tourism activity and further progress of multi year investment projects. Domestic financial conditions also remain conducive to financial intermediation. The risks to Malaysia's growth outlook are fairly balanced. The upside risks are mainly from domestic factors such as stronger than expected tourism activity and implementation of projects including those from the re-tabled Budget 2023. Meanwhile, downside risks stem from weaker than expected global growth and more volatile global financial market conditions.

The Board expects the outlook for the forthcoming quarter to remain cautiously optimistic. As usual, we will continuously focus on improving cost efficiencies and operational recovery to mitigate any adverse impacts on our business.

Barring unforeseen circumstances, the Board is optimistic that the Group will remain profitable for the forthcoming quarter.

B4 Variance of actual and profit estimate

Not applicable as no profit forecast was published.

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B5 Notes to the Condensed Consolidated Statement of Comprehensive Income

	Current quarter ended		Cumulative period ended	
	30-Apr-23	30-Apr-22	30-Apr-23	30-Apr-22
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax for the financial period is arrived at after (crediting)/charging:				
Interest income	(249)	(58)	(435)	(173)
Interest expenses	1,292	901	3,832	3,434
Bad debt written off	-	-	-	17
Depreciation of:				
- property, plant and equipment	896	985	2,923	3,046
- right-of-use assets	349	334	1,048	1,001
Fair value loss on short term funds	-	(74)	(1)	(92)
Gain on disposal of property, plant and equipment	-	-	-	(93)
Impairment loss on trade receivables	-	28	41	105
Property, plant and equipment written off	-	-	1	-
(Gain)/Loss on foreign exchange:				
- realised	(1,190)	(541)	(3,387)	(1,698)
- unrealised	2,243	2,245	264	2,155
(Gain)/Loss on derivative instruments:				
- realised	(631)	2,568	(40)	3,497
- unrealised	(3,257)	(855)	(988)	(537)

B6 Tax expenses

	Current quarter ended		Cumulative period ended	
	30-Apr-23	30-Apr-22	30-Apr-23	30-Apr-22
	RM'000	RM'000	RM'000	RM'000
Current income tax	105	1,965	1,314	5,083
Deferred tax	465	(463)	1,573	(935)
	<u>570</u>	<u>1,502</u>	<u>2,887</u>	<u>4,148</u>

B7 Status of corporate proposals

There were no corporate proposals announced pending completion.

B8 Changes in material litigation

The Group does not have any material litigation as at the date of this announcement.

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B9 Borrowings

	As at 30-Apr-23		As at 31-Jul-22	
	Foreign currency USD'000	Amount equivalent RM'000	Foreign currency USD'000	Amount equivalent RM'000
Short term borrowings				
- Bankers' acceptances (Unsecured)	-	-	-	6,000
- Foreign currency loans (Currency denominated in US Dollar) (Unsecured)	10,645	47,489	8,786	39,124
		<u>47,489</u>		<u>45,124</u>
Long term borrowing				
- Term loan (Secured)	-	56,380	-	56,380
		<u>103,869</u>		<u>101,504</u>

All borrowings are denominated in Malaysia Ringgit except as indicated above.

B10 Dividend

The Board of Directors has not proposed any dividend for this quarter ended 30 April 2023.

B11 Earnings per ordinary share

(a) Basic

Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Current quarter ended		Cumulative period ended	
	30-Apr-23	30-Apr-22	30-Apr-23	30-Apr-22
Profit attributable to equity holders of the parent (RM'000)	<u>3,107</u>	<u>5,275</u>	<u>9,549</u>	<u>13,581</u>
Weighted average number of ordinary in issue ('000)	<u>175,382</u>	<u>174,917</u>	<u>175,382</u>	<u>174,917</u>
Basic earnings per ordinary share (sen)	<u>1.77</u>	<u>3.02</u>	<u>5.44</u>	<u>7.76</u>

(b) Diluted

Diluted earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that ESOS are exercised at the beginning of the financial year. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial year and exercise price.

Notes to the Financial Statements
For the financial period ended 30 April 2023

B Additional information required by the Bursa Securities' Listing Requirements

B11 Earnings per ordinary share (Cont'd)
(b) Diluted (Cont'd)

	Current quarter ended		Cumulative period ended	
	30-Apr-23	30-Apr-22	30-Apr-23	30-Apr-22
Profit attributable to equity holders of the parent (RM'000)	<u>3,107</u>	<u>5,275</u>	<u>9,549</u>	<u>13,581</u>
Weighted average number of ordinary in issue ('000)	175,382	174,917	175,382	174,917
Effects of dilution from share options Directors and employees ('000)	-	755	-	755
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share ('000)	<u>175,382</u>	<u>175,672</u>	<u>175,382</u>	<u>175,672</u>
Diluted earnings per ordinary share (sen)	<u>1.77</u>	<u>3.00</u>	<u>5.44</u>	<u>7.73</u>

By Order of the Board

Tan Hsiao Yuen
Company Secretary

27 June 2023