

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Financial Position
As at 31 October 2019

	As at 31 Oct 2019 RM'000	As at 30 April 2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	201,414	194,759
Investment property	24,854	24,914
Goodwill	757	-
Investment in an associate	11,175	8,452
Other investments	1,040	1,103
Deferred tax assets	156	97
	<u>239,396</u>	<u>229,325</u>
Current assets		
Inventories	93,233	105,089
Property development expenditure	52,503	-
Trade receivables	112,931	106,190
Other receivables	33,237	34,707
Current tax assets	8	3,282
Short term fund	9,692	14,260
Deposits with licensed bank	4,600	2,000
Cash and bank balances	25,364	15,027
	<u>331,568</u>	<u>280,555</u>
TOTAL ASSETS	<u>570,964</u>	<u>509,880</u>
EQUITY AND LIABILITIES		
Equity attributable to ordinary shareholders		
Share capital	125,771	125,771
Reserves		
Exchange reserve	4,488	4,397
Retained earnings	168,182	163,235
Equity attributable to owners of the Company	<u>298,441</u>	<u>293,403</u>
Non-controlling interests	749	502
Total equity	<u>299,190</u>	<u>293,905</u>
Non-current liabilities		
Bank borrowings (unsecured)	230	-
Deferred tax liabilities	19,156	20,468
	<u>19,386</u>	<u>20,468</u>
Current liabilities		
Trade payables	29,546	33,068
Other payables	64,293	26,917
Bank borrowings (unsecured)	157,580	135,190
Current tax liabilities	969	332
	<u>252,388</u>	<u>195,507</u>
TOTAL LIABILITIES	<u>271,774</u>	<u>215,975</u>
TOTAL EQUITY AND LIABILITIES	<u>570,964</u>	<u>509,880</u>
	RM	RM
Net assets per share	<u>1.20</u>	<u>1.18</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income
For the financial period ended 31 October 2019

	Current quarter ended		Cumulative period ended	
	31 Oct 2019 RM'000	31 Oct 2018 RM'000	31 Oct 2019 RM'000	31 Oct 2018 RM'000
Revenue	129,984	143,288	256,793	278,942
Operating expenses	(125,834)	(138,107)	(246,211)	(269,869)
Profit from operations	4,150	5,181	10,582	9,073
Net other operating income/(expense)	57	540	20	1,232
Profit before interest and tax	4,207	5,721	10,602	10,305
Finance costs	(1,577)	(1,655)	(3,247)	(3,011)
Share of results of an associate	1,770	(41)	2,724	(41)
Profit before taxation	4,400	4,025	10,079	7,253
Taxation	(1,308)	(1,239)	(2,403)	(1,797)
Net profit for the period	3,092	2,786	7,676	5,456
Other comprehensive income				
- Foreign currency translations	163	88	91	172
Total comprehensive income for the period, net of tax	3,255	2,874	7,767	5,628
Net profit for the period attributable to:				
- Owners of the Company	4,088	2,831	8,674	5,501
- Non-controlling interests	(996)	(45)	(998)	(45)
Net profit for the period	3,092	2,786	7,676	5,456
Total comprehensive income attributable to:				
- Owners of the Company	4,251	2,919	8,765	5,673
- Non-controlling interests	(996)	(45)	(998)	(45)
Total comprehensive income for the period	3,255	2,874	7,767	5,628
Basic earnings per share attributable to owners of the Company (sen)				
- Basic / Diluted	1.65	1.14	3.49	2.21

(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 30 April 2019)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 October 2019

	Share capital RM'000	Exchange reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2018	125,771	4,189	163,072	293,032	-	293,032
Total comprehensive income for the period	-	172	5,501	5,673	(45)	5,628
Dividend paid	-	-	(2,485)	(2,485)	-	(2,485)
Acquisition of subsidiaries	-	-	(1,005)	(1,005)	1,538	533
Balance as at 31 October 2018	<u>125,771</u>	<u>4,361</u>	<u>165,083</u>	<u>295,215</u>	<u>1,493</u>	<u>296,708</u>
Balance as at 1 May 2019	125,771	4,397	163,235	293,403	502	293,905
Total comprehensive income for the period	-	91	8,674	8,765	(998)	7,767
Dividend paid	-	-	(3,727)	(3,727)	-	(3,727)
Acquisition of subsidiaries	-	-	-	-	1,245	1,245
Balance as at 31 October 2019	<u>125,771</u>	<u>4,488</u>	<u>168,182</u>	<u>298,441</u>	<u>749</u>	<u>299,190</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 October 2019

	Period ended 31 Oct 2019 RM'000	Period ended 31 Oct 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,079	7,253
Adjustments for		
Depreciation of property, plant and equipment	6,146	9,425
Depreciation of investment property	61	25
Fair value adjustments on:		
- Derivatives	-	64
- Other investment	63	(53)
Gain on disposal of property, plant and equipment, net	(25)	-
Property, plant and equipment written off	4	1,555
Impairment losses on receivables, net	1,465	673
Inventories written off	28	97
Reversal of inventories written down	-	(40)
Interest income	(345)	(517)
Interest expense	3,247	3,011
Unrealised gain on foreign exchange	(156)	(295)
Share of results of an associate, net of tax	(2,724)	41
	<hr/>	<hr/>
Operating profit before working capital changes	17,843	21,239
Changes in property development expenditure	(52,503)	-
Changes in inventories	11,830	12,207
Changes in receivables	(6,760)	(23,952)
Changes in payables	35,262	11
	<hr/>	<hr/>
Cash generated from operations	5,672	9,505
Tax refunded	2,177	2,611
Tax paid	(2,042)	(4,454)
	<hr/>	<hr/>
Net cash generated from operating activities	5,807	7,662
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of goodwill	(757)	-
Proceeds from disposal of property, plant and equipment	25	-
Purchases of property, plant and equipment	(12,791)	(6,711)
Purchase of investment property	-	(25,000)
Withdrawal of deposits placed with licensed banks	-	14,510
Investment in an associate	-	(6,039)
Withdrawal of short term fund	4,568	-
Interest received	345	517
	<hr/>	<hr/>
Net cash used in investing activities	(8,610)	(22,723)
	<hr/>	<hr/>

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 October 2019

	Period ended 31 Oct 2019 RM'000	Period ended 31 Oct 2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,727)	(2,485)
Drawdown/(Repayment) of:		
- Bankers' acceptances, net	8,890	13,518
- Term loan	(2,500)	(2,500)
- Revolving credit	16,000	20,000
- Finance lease facility	230	-
Interest paid	<u>(3,247)</u>	<u>(3,011)</u>
Net cash generated from financing activities	<u>15,646</u>	<u>25,522</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,843	10,461
Effect of exchange rate changes on cash and cash equivalents	94	203
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	17,027	22,616
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>29,964</u>	<u>33,280</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Deposits with licensed bank	4,600	19,800
Cash and bank balances	25,364	13,529
Bank overdrafts	<u>-</u>	<u>(49)</u>
	29,964	33,280
Less: Deposits with maturity periods of more than three months	<u>-</u>	<u>-</u>
	<u>29,964</u>	<u>33,280</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019)

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 (“MFRS”) 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 audited financial statements of the Group for the financial year ended 30 April 2019. 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 30 April 2019.

A2 Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 April 2019 except for the adoption of the following new accounting standards (including the consequential amendments, if any):

(a) Adoption of MFRSs (Including The Consequential Amendments)

The adoption of the following accounting standards has no significant financial impact on the financial statements of the Group.

(i) Effective for the financial periods beginning on or after 1 January 2019

MFRS 16: Leases

IC Interpretation 23: Uncertainty over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

Amendments to MFRS 3 Annual Improvements to MFRS Standards 2015 – 2017 Cycle

Amendments to MFRS 11 Annual Improvements to MFRS Standards 2015 – 2017 Cycle

Amendments to MFRS 112 Annual Improvements to MFRS Standards 2015 – 2017 Cycle

Amendments to MFRS 123 Annual Improvements to MFRS Standards 2015 – 2017 Cycle

A2 Significant accounting policies (continued)

(b) MFRSs (Including the Consequential Amendments) issued but not yet effective

The following MFRSs (including the consequential amendments) issued by the MASB are relevant to the Group. However, they have not been early adopted in this set of financial statements.

(i) Effective for the financial periods beginning on or after 1 January 2020

Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 101: Definition of Material
Amendments to MFRS 108: Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards

(ii) Effective for the financial periods beginning on or after 1 January 2021

MFRS 17: Insurance Contracts

(iii) Amendments to MFRSs issued but effective date not yet announced

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group will adopt the above MFRSs (including the consequential amendments) when they become effective in the respective financial periods. The adoptions of these new accounting standards are not expected to have any material effect to the financial statements of the Group upon the initial application.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

A3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 30 April 2019.

A4 Seasonal or cyclical factors

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

A5 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.

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

There was no issuance or repayment of debt and equity securities nor any shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares for the current quarter under review and financial period to date.

A8 Dividend paid

A first and final single-tier dividend of 1.50 sen per ordinary share in respect of the financial year ended 30 April 2019 amounting to RM 3,727,295 was paid on 18 October 2019.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income

	Current quarter ended 31 October		Cumulative period ended 31 October	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Income/(expense):				
Depreciation of property, plant and equipment	(3,083)	(4,705)	(6,146)	(9,425)
Depreciation of investment property	(31)	(25)	(61)	(25)
Fair value adjustments on:				
- derivatives	-	2	-	(64)
- other investment	(31)	61	(63)	53
Gain on disposal of property, plant and equipment, net	25	-	25	-
Property, plant and equipment written off	(2)	(943)	(4)	(1,555)
Impairment losses on receivables, net	(942)	(473)	(1,465)	(673)
Inventories written off	(17)	(33)	(28)	(97)
Reversal of inventories written down	(29)	27	-	40
Interest income	222	226	345	517
Interest expense	(1,577)	(1,655)	(3,247)	(3,011)
Foreign exchange (loss)/gain, net				
- realised	(36)	291	66	627
- unrealised	335	28	156	295

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

A10 Segmental information

i. Business segments

No business segment information has been provided as the Group is principally engaged in the business of manufacturing, marketing and trading of aluminium products. The Group's newly acquired property development business is not significant to be separately reported.

ii. Geographical segments

The Group's geographical segments are based on the location of the businesses, i.e. Malaysia and Singapore.

	Malaysia	Singapore	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Revenue				
External customers:				
- Local	162,770	-	-	162,770
- Export	70,342	23,681	-	94,023
Inter-segment	25,389	-	(25,389)	-
Total revenue	258,501	23,681	(25,389)	256,793
Segment result	9,359	1,243		10,602
Finance costs				(3,247)
Share of results of an associate, net of tax				2,724
Taxation				(2,403)
Profit after taxation				7,676
Other information				
Segment assets	548,053	11,572		559,625
Investment in an associate				11,175
Current tax assets				8
Deferred tax assets				156
Consolidated total assets				570,964
Segment liabilities	250,875	774		251,649
Current tax liabilities				969
Deferred tax liabilities				19,156
Consolidated total liabilities				271,774

Inter-segment pricing is determined on an arm's length basis under terms, conditions and prices not materially different from transactions with unrelated parties.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

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.

A12 Changes in composition of the Group

- (a) The Company has on 16 May 2019 acquired 1 ordinary share, representing 100% equity interest in Greentech Paramount Sdn Bhd (“GPSB”) for a cash consideration of RM1.00. Following the completion of the acquisition on 16 May 2019, GPSB became a wholly owned subsidiary of the Company.
- (b) The wholly owned subsidiary of the Company, GPSB, has on 16 May 2019 subscribed for 2,005,000 new ordinary shares representing 50.06% of equity interest in Pembinaan Serta Hebat Sdn Bhd (“PSH”) for a cash consideration of RM2,005,000 only. Following the completion of the subscription on 16 May 2019, PSH became a 50.06%-owned subsidiary of GPSB.
- (c) The Company has on 10 October 2019 entered into share sale agreements to acquire a total of 60,000 ordinary shares, representing 60% equity interest in SEMS Sdn Bhd (“SEMS”) for a cash consideration of RM2,200,000.00 only. SEMS’s principal activities are metal stamping and other engineering works. Following the completion of the acquisition on 27 November 2019, SEMS became a 60.00%-owned subsidiary of the Company.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

A13 Changes in contingent liabilities and contingent assets

Save as set out below, there were no changes in contingent liabilities and contingent assets since the last date of statement of financial position.

	Company	
	31 October 2019	30 April 2019
	RM'000	RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries - unsecured		
-Limit of guarantee	14,100	14,100
-Amount utilized	2,600	3,520
Corporate guarantees given to third parties for supplies of goods and services to a subsidiary - unsecured		
-Limit of guarantee	2,000	2,000
-Amount utilized	420	81

A14 Capital commitments

	Group	
	31 October 2019	30 April 2019
	RM'000	RM'000
Property, plant and equipment		
Contracted but not provided for	3,066	12,835
Authorised but not contracted for	12,114	11,652

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

A15 Significant Related Party Transactions

The Group has a number of significant related party transactions with companies in which a Director is deemed to have an interest by virtue of his direct and indirect shareholdings. The significant related party transactions during the current quarter under review are as follows:

Transaction parties and transaction details	Current quarter ended 31 October		Cumulative period ended 31 October	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Formosa Shyen Horng Metal Sdn Bhd				
- Purchase and tolling services of aluminium billets	24,830	30,017	44,532	60,145
- Sales of aluminium billets	-	-	1,660	-
Ritecorp Sdn Bhd				
- Rental of premises	15	15	30	30
	24,845	30,032	46,222	60,175

The related party transactions had been entered into in the ordinary course of business on normal commercial terms.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance

	Current quarter ended 31 October		+ / (-)	Cumulative period ended 31 October		+ / (-)
	2019	2018		2019	2018	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
- Malaysia	83,824	96,523	(13.2)	162,770	182,675	(10.9)
- Overseas	46,160	46,765	(1.3)	94,023	96,267	(2.3)
Total Revenue	129,984	143,288	(9.3)	256,793	278,942	(7.9)
Profit From Operations	4,150	5,181	(19.9)	10,582	9,073	16.6
Net Other Operating Income/(Expenses)	57	540	(89.4)	20	1,232	(98.3)
Finance Costs	(1,577)	(1,655)	(4.7)	(3,247)	(3,011)	7.8
Share of Results of an Associate	1,770	(41)	N/A	2,724	(41)	N/A
Profit Before Taxation	4,400	4,025	9.3	10,079	7,253	39.0
Taxation	(1,308)	(1,239)	5.6	(2,403)	(1,797)	33.7
Profit After Taxation	3,092	2,786	11.0	7,676	5,456	40.7

For the quarter

The Group's revenue for the current quarter ended 31 October 2019 decreased by 9.3% to RM129.98 million compared to RM143.29 million for the preceding year corresponding quarter due to lower sales volume and average selling prices.

The Group's profit from operations decreased by 19.9% from RM5.18 million to RM4.15 million in the current quarter under review due mainly to preliminary expenses of RM2.0 million incurred by the Group's property development subsidiaries while the aluminium business recorded a better margins as compared to the previous year corresponding quarter.

Meanwhile, the Group's net other operating income was lower by 89.4% from RM540,000 to RM57,000 as compared to last year corresponding quarter due mainly to higher impairment loss on receivables reported in the current year quarter.

Despite the lower profit from operations, the Group's profit before taxation and profit after taxation were higher by 9.3% and 11.0% respectively compared to the preceding year corresponding quarter, due mainly to the share of results of an associate of RM1.77 million.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B1 Review of performance (continued)

For the 6 months period

For the cumulative 6 months period ended 31 October 2019, the Group recorded revenue of RM256.79 million, decreased by 7.9% compared to the preceding year corresponding period. The decrease was due mainly to lower sales volume and average selling prices.

Despite the lower revenue and preliminary expenses from the property development business, the Group's profit from operations for the current year period increased by 16.6% from RM9.07 million to RM10.58 million due mainly to the improved margins.

The net other operating income decreased significantly by 98.3% from RM1.23 million to RM20,000 due mainly to higher impairment losses on receivables as well as lower foreign exchange gain reported in the current year period.

In line with the above and coupled with the share of results of an associate of RM2.72 million, the Group's profit before taxation and profit after taxation for the current period were higher by 39.0% and 40.7% respectively compared to the preceding year corresponding period.

B2 Variance of results against preceding quarter

	Current quarter	Preceding quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	83,824	78,947	4,877	6.2
- Overseas	46,160	47,863	(1,703)	(3.6)
Total Revenue	129,984	126,810	3,174	2.5
Profit From Operations	4,150	6,433	(2,283)	(35.5)
Net Other Operating Income/(Expenses)	57	(37)	94	N/A
Finance Costs	(1,577)	(1,670)	93	(5.6)
Share of Results of an Associate	1,770	953	817	85.7
Profit Before Taxation	4,400	5,679	(1,279)	(22.5)
Taxation	(1,308)	(1,095)	(213)	19.5
Profit After Taxation	3,092	4,584	(1,492)	(32.5)

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B2 Variance of results against preceding quarter (continued)

The Group recorded revenue of RM129.98 million in the current quarter, higher by 2.5% or RM3.17 million compared to RM126.81 million for the preceding quarter. The increase in revenue was due mainly to higher sales volume.

Profit from operations decreased by 35.5% or RM2.28 million from RM6.43 million to RM4.15 million due mainly to the preliminary expenses of RM2.0 million incurred for the property development business.

The Group recorded net other operating income of RM57,000 in the current quarter as compared to net other operating expenses of RM37,000 in the preceding quarter.

Meanwhile, the share of results of an associate for the current quarter increased to RM1.77 million from RM0.95 million in the preceding quarter.

In line with the above, the Group's profit before taxation and profit after taxation decreased by 22.5% and 32.5% respectively in the current quarter.

B3 Current year prospects

Global economy

The global economy expanded in the third quarter of 2019 at a more moderate pace compared to the second quarter of the year. The countries that have reported slower growth in the third quarter included the US, UK and major economies in the Euro area as well as China and other Asian economies. Going forward, the global economy is expected to continue its pace of moderate expansion for the last quarter of 2019 amid the downside risks posed by the prolonged trade tensions between US and China, uncertainties in Brexit development as well as geopolitical unease.

Malaysian economy

On the domestic front, the Malaysian economy reported a softened expansion of 4.4% in the third quarter of 2019 as compared to 4.9% in the previous quarter, with private sector expenditure remained as a key contributor. Looking forward, the Malaysian economy is expected to expand on a same pace with private sector expenditure remains as the key growth driver.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B3 Current year prospects (continued)

Prospect for the Group

The Group has benefited from the low raw material cost as aluminium prices have stabilised during the year. We are monitoring the aluminium prices closely for any significant increase and will adjust our selling prices accordingly.

In our efforts to reduce costs and to minimise energy-related environmental damage, we have commissioned a 1 MWp Solar System in October 2019 capable of generating approximately 1,400 megawatts of electricity per year. We will continue to look for the next project to improve efficiency and further reduce our operational costs to protect our margins.

The Group's associated company involves in property development business, Vistarena Development Sdn Bhd, has contributed positively to the Group's profit and will continue to do so in the coming quarters. Meanwhile, a subsidiary of the Group, Pembinaan Serta Hebat Sdn Bhd, has received the land title for the land located at Jalan Tasik Selatan from the Land Office on 17 September 2019.

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

B4 Profit forecast

Not applicable as no profit forecast was published.

B5 Taxation

	Current quarter ended 31 October		Cumulative period ended 31 October	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Current tax expenses	2,247	1,517	3,774	2,939
Deferred tax expenses	(939)	(278)	(1,371)	(1,142)
	1,308	1,239	2,403	1,797

The Group's effective tax rate for the quarter under review and financial period to date were higher than the statutory tax rate due mainly to the non-deductibility of preliminary expenses incurred by the Group's property development subsidiaries in the current quarter and financial period.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B6 Status of corporate proposals announced

There is no corporate proposal announced that is not completed as at the date of this report.

B7 Borrowings and debt securities

	31 October 2019	30 April 2019
	RM'000	RM'000
Short term borrowings (unsecured)		
Bankers' acceptances	119,080	110,190
Revolving credit	36,000	20,000
Term loans	2,500	5,000
	157,580	135,190
Long term borrowings (unsecured)		
Finance lease facility	230	-
Total Borrowings	157,810	135,190

All borrowings are denominated in Malaysian Ringgit.

B8 Changes in material litigation

There is no material litigation involving the Group, which is not in the ordinary course of business as at the date of this report.

B9 Dividend

The Directors do not recommend the payment of any interim dividend in respect of the current quarter under review and financial period to date.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the financial period ended 31 October 2019

B 10 Earnings per share

	Current quarter	Cumulative period
Net profit for the period attributable to ordinary shareholders (RM'000)	4,088	8,674
<i>Basic earnings per share</i>		
<i>Weighted average number of ordinary shares</i>		
Issued ordinary shares at beginning of the period ('000)	248,486	248,486
Effect of shares issued ('000)	-	-
Weighted average number of ordinary shares ('000)	248,486	248,486
Basic earnings per share (sen)	1.65	3.49

There are no potential dilution effects on ordinary shares of the Company for the current quarter under review and financial period to date.

By Order of the Board

Yap Sit Lee
Company Secretary
Date: 5 December 2019