

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 October 2020**

	As at 31 October 2020 RM'000	As at 30 April 2020 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	188,862	193,193
Investment property	24,732	24,793
Right-of-use assets	11,166	11,875
Goodwill on consolidation	2,490	2,490
Investment in an associate	18,246	13,559
Other investment	966	851
	<u>246,462</u>	<u>246,761</u>
Current assets		
Inventories	134,532	153,910
Trade receivables	95,153	88,189
Other receivables	45,198	46,586
Current tax assets	28	955
Short term fund	21,175	13,327
Deposits with licensed bank	19,750	1,000
Cash and bank balances	16,290	34,011
	<u>332,126</u>	<u>337,978</u>
<b>TOTAL ASSETS</b>	<u><b>578,588</b></u>	<u><b>584,739</b></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to ordinary shareholders		
Share capital	125,771	125,771
Reserves		
Exchange reserve	4,324	4,422
Retained earnings	174,433	163,259
Equity attributable to owners of the Company	<u>304,528</u>	<u>293,452</u>
Non-controlling interests	725	732
Total equity	<u>305,253</u>	<u>294,184</u>
Non-current liabilities		
Bank borrowings	35,000	35,000
Deferred tax liabilities	19,016	20,522
Lease liabilities	2,884	3,040
	<u>56,900</u>	<u>58,562</u>
Current liabilities		
Trade payables	30,517	58,340
Other payables	55,504	39,419
Bank borrowings (unsecured)	125,288	131,915
Current tax liabilities	4,152	821
Lease liabilities	974	1,498
	<u>216,435</u>	<u>231,993</u>
<b>TOTAL LIABILITIES</b>	<u><b>273,335</b></u>	<u><b>290,555</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>578,588</b></u>	<u><b>584,739</b></u>
	<b>RM</b>	<b>RM</b>
Net assets per share	<u>1.23</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 2020)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income**  
**For the financial period ended 31 October 2020**

	Current quarter ended		Cumulative period ended	
	31 October 2020 RM'000	31 October 2019 RM'000	31 October 2020 RM'000	31 October 2019 RM'000
Revenue	125,092	129,984	238,057	256,793
Operating expenses	(115,070)	(125,834)	(219,792)	(246,211)
Profit from operations	10,022	4,150	18,265	10,582
Net other operating income/(expense)	(353)	57	(2,793)	20
Profit before interest and tax	9,669	4,207	15,472	10,602
Finance costs	(886)	(1,577)	(2,206)	(3,247)
Share of results of an associate (net)	3,351	1,770	4,687	2,724
Profit before taxation	12,134	4,400	17,953	10,079
Taxation	(2,827)	(1,308)	(4,301)	(2,403)
Net profit for the period	9,307	3,092	13,652	7,676
Other comprehensive income				
- Foreign currency translations	(230)	163	(98)	91
Total comprehensive income for the period, net of tax	9,077	3,255	13,554	7,767
Net profit/(loss) for the period attributable to:				
- Owners of the Company	9,333	4,088	13,659	8,674
- Non-controlling interests	(26)	(996)	(7)	(998)
Net profit for the period	9,307	3,092	13,652	7,676
Total comprehensive income/(loss) attributable to:				
- Owners of the Company	9,103	4,251	13,561	8,765
- Non-controlling interests	(26)	(996)	(7)	(998)
Total comprehensive income for the period	9,077	3,255	13,554	7,767
Basic earnings per share attributable to owners of the Company (sen)				
- Basic / Diluted	3.76	1.65	5.50	3.49

(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 2020)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Changes in Equity**  
**For the financial period ended 31 October 2020**

	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 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>
Balance as at 1 May 2020	125,771	4,422	163,259	293,452	732	294,184
Total comprehensive income for the period	-	(98)	13,659	13,561	(7)	13,554
Dividend paid	-	-	(2,485)	(2,485)	-	(2,485)
Balance as at 31 October 2020	<u>125,771</u>	<u>4,324</u>	<u>174,433</u>	<u>304,528</u>	<u>725</u>	<u>305,253</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 2020)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 31 October 2020**

	<b>Period ended 31 October 2020 RM'000</b>	<b>Period ended 31 October 2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	17,953	10,079
Adjustments for		
Depreciation of property, plant and equipment	6,293	6,146
Depreciation of investment property	61	61
Amortisation of right-of-use assets	709	-
Fair value adjustments on other investment	(116)	63
Gain on disposal of property, plant and equipment, net	-	(25)
Property, plant and equipment written off	23	4
Impairment losses on receivables, net	4,352	1,465
Inventories written off	67	28
Inventories written down	34	-
Interest income	(369)	(345)
Interest expense	2,206	3,247
Unrealised (gain)/loss on foreign exchange, net	137	(156)
Share of results of an associate (net)	(4,687)	(2,724)
	<hr/>	<hr/>
Operating profit before working capital changes	26,663	17,843
Changes in inventories	19,277	(40,673)
Changes in receivables	(10,197)	(6,760)
Changes in payables	(11,334)	35,262
	<hr/>	<hr/>
Cash generated from operations	24,409	5,672
Tax refunded	-	2,177
Tax paid	(1,546)	(2,042)
	<hr/>	<hr/>
Net cash generated from operating activities	22,863	5,807
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of goodwill	-	(757)
Proceeds from disposal of property, plant and equipment	-	25
Purchase of property, plant and equipment	(1,990)	(12,791)
Payment of lease liabilities	(680)	-
(Placement)/withdrawal of short term fund	(7,848)	4,568
Interest received	369	345
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Net cash used in investing activities	(10,149)	(8,610)
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**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 31 October 2020**

	<b>Period ended 31 October 2020 RM'000</b>	<b>Period ended 31 October 2019 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(2,485)	(3,727)
Drawdown/(Repayment) of:		
- Bankers' acceptances, net	(6,627)	8,890
- Term loan	-	(2,500)
- Revolving credit	-	16,000
- Finance lease facility	-	230
Interest paid	<u>(2,206)</u>	<u>(3,247)</u>
Net cash (used in)/generated from financing activities	<u>(11,318)</u>	<u>15,646</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,396</b>	<b>12,843</b>
Effect of exchange rate changes on cash and cash equivalents	(367)	94
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>35,011</b>	<b>17,027</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b><u><u>36,040</u></u></b>	<b><u><u>29,964</u></u></b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Deposits with licensed bank	19,750	4,600
Cash and bank balances	<u>16,290</u>	<u>25,364</u>
	<b><u><u>36,040</u></u></b>	<b><u><u>29,964</u></u></b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2020)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**A Explanatory Notes**

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**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 2020. 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 2020.

**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 2020 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 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 MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
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**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 2021**

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

**(ii) Effective for the financial periods beginning on or after 1 January 2022**

Amendments to MFRS 3: Reference to the Conceptual Framework  
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use  
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract  
Annual Improvements to MFRS Standards 2018 – 2020

**(iii) Effective for the financial periods beginning on or after 1 January 2023**

MFRS 17: Insurance Contracts  
Amendments to MFRS 17: Insurance Contracts  
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current

**(iv) 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 [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**A3 Qualification of financial statements**

There was no qualification in the audited financial statements for the financial year ended 30 April 2020.

**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 1.00 sen per ordinary share in respect of the financial year ended 30 April 2020 amounting to RM 2,484,863 was paid on 16 October 2020.



**LB ALUMINIUM BERHAD [198501006093 (138535-V)]****Notes To The Financial Statements****For the financial period ended 31 October 2020****A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income**

	Current quarter ended 31 October		Cumulative period ended 31 October	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>Income/(expense):</b>				
Depreciation of property, plant and equipment	(3,148)	(3,083)	(6,293)	(6,146)
Depreciation of investment property	(31)	(31)	(61)	(61)
Amortisation of right-of-use assets	(78)	-	(709)	-
Fair value adjustments on other investment	63	(31)	116	(63)
Gain on disposal of property, plant and equipment, net	-	25	-	25
Property, plant and equipment written off	(7)	(2)	(23)	(4)
Impairment losses on receivables, net	(966)	(942)	(4,352)	(1,465)
Inventories written off	(6)	(17)	(67)	(28)
Reversal of inventories written down	-	(29)	-	-
Inventories written down	6	-	(34)	-
Interest income	162	222	369	345
Interest expense	(886)	(1,577)	(2,206)	(3,247)
Foreign exchange gain/(loss), net				
- realised	(252)	(36)	(528)	66
- unrealised	(92)	335	(137)	156

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**A10 Segmental information**

The Group is divided into business segments based on products and services. In addition to business segments, the management also assesses the Group's performance based on geographical segments.

The Group's reportable business segments include:-

**(a) Aluminium**

Manufacturing, marketing and trading of aluminium extrusion and other metal products; property holding; providing performance tests for windows, door and facades; providing metal stamping and other engineering works.

**(b) Property**

Property development.

**i. Business segments**

	<b>Aluminium</b>	<b>Property</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>			
External customers	238,057	-	238,057
Segment result	15,810	(338)	15,472
Share of results of an associate (net)	-	4,687	4,687
	15,810	4,349	20,159
Finance costs			(2,206)
Taxation			(4,301)
Profit after taxation			13,652
<b>Other information</b>			
Segment assets	445,471	114,843	560,314
Investment in an associate	-	18,246	18,246
	445,471	133,089	578,560
Current tax assets			28
Consolidated total assets			578,588
Segment liabilities	175,183	74,984	250,167
Current tax liabilities			4,152
Deferred tax liabilities			19,016
Consolidated total liabilities			273,335

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**A10 Segmental information (continued)**

**ii. Geographical segments**

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

	<b>Malaysia</b>	<b>Singapore</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External customers:				
- Local	149,315	-	-	149,315
- Export	70,124	18,618	-	88,742
Inter-segment	14,475	-	(14,475)	-
Total revenue	233,914	18,618	(14,475)	238,057
Segment result	12,986	2,486		15,472
Finance costs				(2,206)
Share of results of an associate (net)				4,687
Taxation				(4,301)
Profit after taxation				13,652

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

**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.

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**A12 Changes in 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.

**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.

	<b>Company</b>	
	<b>31 October 2020</b>	<b>30 April 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Corporate guarantees given to banks for credit facilities granted to subsidiaries - unsecured</b>		
-Limit of guarantee	14,100	14,100
-Amount utilized	2,520	3,420
<b>Corporate guarantees given to third parties for supplies of goods and services to a subsidiary - unsecured</b>		
-Limit of guarantee	2,000	2,000
-Amount utilized	-	241

**A14 Capital commitments**

	<b>Group</b>	
	<b>31 October 2020</b>	<b>30 April 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Property, plant and equipment</b>		
Contracted but not provided for	3,552	220
Authorised but not contracted for	13,258	10,105

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**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 and financial period to date are as follows:

Transaction parties and transaction details	Current quarter ended 31 Oct		Cumulative period ended 31 Oct	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Formosa Shyen Horng Metal Sdn Bhd				
- Purchase and tolling services of aluminium billets	29,308	24,830	46,486	44,532
- Sales of aluminium billets	-	-	-	1,660
Ritecorp Sdn Bhd				
- Rental of premises	15	15	30	30
	29,323	24,845	46,516	46,222

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

**B Additional information required by the Bursa Securities' Listing Requirements**

**B1 Review of performance**

**Current quarter ended 31 October 2020**

	<b>Aluminium</b>	<b>Property</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>2nd Quarter 2021 ("2Q2021")</u></b>			
Revenue			
- Malaysia	<b>83,161</b>	-	<b>83,161</b>
- Overseas	<b>41,931</b>	-	<b>41,931</b>
Total Revenue	<b>125,092</b>	-	<b>125,092</b>
Profit/(Loss) From Operations	<b>10,229</b>	<b>(207)</b>	<b>10,022</b>
Net Other Operating Income/(Expenses)	<b>(358)</b>	<b>5</b>	<b>(353)</b>
Finance Costs	<b>(885)</b>	<b>(1)</b>	<b>(886)</b>
Share of Results of an Associate (Net)	-	<b>3,351</b>	<b>3,351</b>
Profit Before Taxation	<b>8,986</b>	<b>3,148</b>	<b>12,134</b>
Taxation	<b>(2,827)</b>	-	<b>(2,827)</b>
Profit After Taxation	<b>6,159</b>	<b>3,148</b>	<b>9,307</b>
<b><u>2nd Quarter 2020 ("2Q2020")</u></b>			
Revenue			
- Malaysia	83,824	-	83,824
- Overseas	46,160	-	46,160
Total Revenue	129,984	-	129,984
Profit/(Loss) From Operations	6,224	(2,074)	4,150
Net Other Operating Income/(Expenses)	(23)	80	57
Finance Costs	(1,576)	(1)	(1,577)
Share of Results of an Associate (Net)	-	1,770	1,770
Profit/(Loss) Before Taxation	4,625	(225)	4,400
Taxation	(1,308)	-	(1,308)
Profit/(Loss) After Taxation	3,317	(225)	3,092
<b><u>Variance</u></b>			
Total Revenue	-3.8%	N/A	-3.8%
Profit/(Loss) From Operations	64.3%	N/A	141.5%
Profit/(Loss) Before Taxation	94.3%	N/A	175.8%
Profit/(Loss) After Taxation	85.7%	N/A	201.0%

*N/A – Not applicable due to incomparability.*

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 October 2020**

**B1 Review of performance (continued)**

**Cumulative period ended 31 October 2020**

	<b>Aluminium</b>	<b>Property</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Year To Date FY2021 ("YTD2021")</u></b>			
Revenue			
- Malaysia	<b>149,315</b>	-	<b>149,315</b>
- Overseas	<b>88,742</b>	-	<b>88,742</b>
Total Revenue	<b>238,057</b>	-	<b>238,057</b>
Profit/(Loss) From Operations	<b>18,624</b>	<b>(359)</b>	<b>18,265</b>
Net Other Operating Income/(Expenses)	<b>(2,814)</b>	<b>21</b>	<b>(2,793)</b>
Finance Costs	<b>(2,204)</b>	<b>(2)</b>	<b>(2,206)</b>
Share of Results of an Associate (Net)	-	<b>4,687</b>	<b>4,687</b>
Profit Before Taxation	<b>13,606</b>	<b>4,347</b>	<b>17,953</b>
Taxation	<b>(4,301)</b>	-	<b>(4,301)</b>
Profit After Taxation	<b>9,305</b>	<b>4,347</b>	<b>13,652</b>
<b><u>Year To Date FY2020 ("YTD2020")</u></b>			
Revenue			
- Malaysia	162,770	-	162,770
- Overseas	94,023	-	94,023
Total Revenue	256,793	-	256,793
Profit/(Loss) From Operations	12,660	(2,078)	10,582
Net Other Operating Income/(Expenses)	(60)	80	20
Finance Costs	(3,246)	(1)	(3,247)
Share of Results of an Associate (Net)	-	2,724	2,724
Profit Before Taxation	9,354	725	10,079
Taxation	(2,403)	-	(2,403)
Profit After Taxation	6,951	725	7,676
<b><u>Variance</u></b>			
Total Revenue	-7.3%	N/A	-7.3%
Profit/(Loss) From Operations	47.1%	N/A	72.6%
Profit Before Taxation	45.5%	499.6%	78.1%
Profit After Taxation	33.9%	499.6%	77.8%

*N/A – Not applicable due to incomparability.*

**B1 Review of performance (continued)**

For the quarter

The Group's revenue for the current quarter ended 31 October 2020 decreased marginally by 3.8% to RM125.09 million compared to RM129.98 million for the preceding year corresponding quarter due mainly to lower average selling prices.

Despite lower revenue, the Group reported a profit before taxation of RM12.13 million for 2Q2021 (2Q2020: RM4.40 million). The significant increase of 175.8% was due mainly to better margins from the aluminium segment, higher contribution from the associate as well as lower preliminary expenses incurred by the property subsidiaries.

The share of results of an associate was RM3.35 million (2Q2020: RM1.77 million). The increase was due mainly to higher work progress during the quarter under review.

In line with the above, the Group's profit after taxation was RM9.31 million (2Q2020: RM3.09 million), an increase of 201.0% compared to the preceding year corresponding quarter.

For the 6 months period

For the cumulative 6 months period ended 31 October 2020, the Group recorded revenue of RM238.06 million (YTD2020: RM256.79 million). The decrease of 7.3% was due mainly to both lower sales volume and average selling prices during the current period.

Despite lower revenue, the Group reported a profit before taxation of RM17.95 million for YTD2021 (YTD2020: RM10.08 million). The increase of 78.1% was due mainly to better margins from the aluminium segment, higher contribution from the associate as well as lower preliminary expenses incurred by the property subsidiaries.

The share of results of an associate was RM4.69 million (YTD2020: RM2.72 million). The increase was due mainly to higher work progress during the current period.

In line with the above, the Group's profit after taxation was RM13.65 million (YTD2020: RM7.68 million), an increase of 77.8% compared to the preceding year corresponding period.



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**B2 Variance of results against preceding quarter**

	<b>Aluminium</b>	<b>Property</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>2nd Quarter 2021 ("2Q2021")</u></b>			
Revenue			
- Malaysia	<b>83,161</b>	-	<b>83,161</b>
- Overseas	<b>41,931</b>	-	<b>41,931</b>
Total Revenue	<b>125,092</b>	-	<b>125,092</b>
Profit/(Loss) From Operations	<b>10,229</b>	<b>(207)</b>	<b>10,022</b>
Net Other Operating Income/(Expenses)	<b>(358)</b>	<b>5</b>	<b>(353)</b>
Finance Costs	<b>(885)</b>	<b>(1)</b>	<b>(886)</b>
Share of Results of an Associate (Net)	-	<b>3,351</b>	<b>3,351</b>
Profit Before Taxation	<b>8,986</b>	<b>3,148</b>	<b>12,134</b>
Taxation	<b>(2,827)</b>	-	<b>(2,827)</b>
Profit After Taxation	<b>6,159</b>	<b>3,148</b>	<b>9,307</b>
<b><u>1st Quarter 2021 ("1Q2021")</u></b>			
Revenue			
- Malaysia	66,154	-	66,154
- Overseas	46,811	-	46,811
Total Revenue	112,965	-	112,965
Profit/(Loss) From Operations	8,395	(151)	8,244
Net Other Operating Income/(Expenses)	(2,457)	16	(2,441)
Finance Costs	(1,319)	(2)	(1,321)
Share of Results of an Associate (Net)	-	1,336	1,336
Profit Before Taxation	4,619	1,199	5,818
Taxation	(1,475)	-	(1,475)
Profit After Taxation	3,144	1,199	4,343
<b><u>Variance</u></b>			
Total Revenue	10.7%	N/A	10.7%
Profit/(Loss) From Operations	21.8%	N/A	21.6%
Profit Before Taxation	94.6%	162.4%	108.5%
Profit After Taxation	95.9%	162.4%	114.3%

N/A – Not applicable due to incomparability.

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**B2 Variance of results against preceding quarter (continued)**

The Group reported revenue of RM125.09 million for 2Q2021 (1Q2021: RM112.97 million). The increase of 10.7% was due mainly to higher sales volume.

The Group reported profit before taxation of RM12.13 million (1Q2021: RM5.82 million). The significant increase of 108.5% was due mainly to better margins for the aluminium products coupled with higher contribution from the associate.

The share of results of the associate for 2Q2021 amounted to RM3.35 million (1Q2021: RM1.34 million). The increase was due mainly to higher work progress.

In line with the above, the Group reported profit after taxation of RM9.31 million for 2Q2021 (1Q2020: RM4.34 million).

**B3 Current year prospects**

Global economy

The global economy gradually recovered in the third quarter of 2020 in tandem with the relaxation of COVID-19 containment measures in many advanced and emerging economies. China registered a growth of 4.9% during the quarter due mainly to support from industrial activities and private consumption. Meanwhile, most of the other regional economies recorded a lower contraction in the third quarter of 2020 following the easing of the containment measures. The global economy is expected to suffer a recession of 4.4% in 2020 due mainly to the COVID-19 pandemic, but to record a growth of 5.2% in 2021 (*source: IMF*).

Malaysian economy

On the home front, the Malaysian economy reported a smaller contraction at -2.7% (2Q2020: GDP contraction of -17.1%) for the third quarter of 2020. The recovery was due mainly to the easing of the containment measures as the country moved from Movement Control Order (“MCO”) into Recovery Movement Control Order (“RMCO”) during the quarter. Looking forward, the recent spike in the COVID-19 cases locally could dampen the momentum of the recovery in the final quarter of 2020 while the Malaysian government has projected a GDP growth of 6.5% to 7.5% in 2021.

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**B3 Current year prospects (continued)**

Prospect for the Group

As at todate, the Group's business has returned to normal level. Following the resurgence of the Covid-19 pandemic, we remain vigilant against any unexpected development in both the Malaysian and global economy, which could have an adverse impact on the Group's operations.

The weakening of the US Dollar vis-a-vis Malaysian Ringgit and the recent increase in aluminium prices are expected to reduce our margins as they will reduce export revenue and increase production cost respectively. As an effort to safeguard our margins, we will increase our selling prices whenever necessary and at the same time improve efficiency and reduce operational costs.

For the property segment, the Group's investment in an associate, Vistarena Development Sdn Bhd, is expected to continue the positive contribution for the coming quarters.

Barring unforeseen circumstances, the Board is optimistic that the Group will be 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	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Current tax expenses	3,263	2,247	5,808	3,774
Deferred tax expenses	(436)	(939)	(1,507)	(1,371)
	2,827	1,308	4,301	2,403

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**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**

	<b>31 October 2020</b>	<b>30 April 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Short term borrowings (unsecured)</b>		
Bankers' acceptances	89,288	95,915
Revolving credit	36,000	36,000
	<b>125,288</b>	<b>131,915</b>
<b>Long term borrowings</b>		
Term loan (secured)	35,000	35,000
	<b>35,000</b>	<b>35,000</b>
<b>Total Borrowings</b>	<b>160,288</b>	<b>166,915</b>

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 recommended the payment of any interim dividend in respect of the current quarter under review and financial period to date.

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**B 10 Earnings per share**

	<b>Current quarter</b>	<b>Cumulative period</b>
Net profit for the period attributable to ordinary shareholders (RM'000)	9,333	13,659
<b><i>Basic earnings per share</i></b>		
<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)	3.76	5.50

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: 8 December 2020