

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 July 2022**

	As at 31 July 2022 RM'000	As at 30 April 2022 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	183,374	184,557
Right-of-use assets	9,851	9,404
Goodwill on consolidation	757	757
Investment in an associate	30,877	29,544
Other investment	1,092	1,197
	<u>225,951</u>	<u>225,459</u>
Current assets		
Inventories	206,800	184,302
Property development expenditure	212,790	204,921
Trade receivables	139,561	143,507
Other receivables	14,608	28,645
Current tax assets	152	160
Short-term fund	32,314	28,271
Deposits with licensed bank	6,600	8,050
Cash and bank balances	30,617	22,248
	<u>643,442</u>	<u>620,104</u>
<b>TOTAL ASSETS</b>	<u><b>869,393</b></u>	<u><b>845,563</b></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to ordinary shareholders		
Share capital	125,771	125,771
Reserves		
Exchange reserve	5,025	4,678
Retained earnings	244,910	232,404
Equity attributable to owners of the Company	<u>375,706</u>	<u>362,853</u>
Non-controlling interests	(1,537)	(743)
Total equity	<u>374,169</u>	<u>362,110</u>
Non-current liabilities		
Amount owing to a corporate shareholder of a subsidiary	17,358	14,561
Bank borrowings	28,567	30,160
Deferred tax liabilities	18,126	20,844
Lease liabilities	1,882	1,227
	<u>65,933</u>	<u>66,792</u>
Current liabilities		
Trade payables	93,834	99,343
Other payables	85,062	81,751
Derivative financial liabilities	1	-
Bank borrowings	243,144	230,020
Current tax liabilities	6,396	4,266
Lease liabilities	854	1,281
	<u>429,291</u>	<u>416,661</u>
<b>TOTAL LIABILITIES</b>	<u><b>495,224</b></u>	<u><b>483,453</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>869,393</b></u>	<u><b>845,563</b></u>
	<b>RM</b>	<b>RM</b>
Net assets per share	<u>0.86</u>	<u>0.83</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 2022)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the financial period ended 31 July 2022**

	Current quarter ended		Cumulative period ended	
	31 July 2022 RM'000	31 July 2021 RM'000	31 July 2022 RM'000	31 July 2021 RM'000
Revenue	227,056	114,544	227,056	114,544
Operating expenses	(206,126)	(109,655)	(206,126)	(109,655)
Profit from operations	20,930	4,889	20,930	4,889
Net other operating expense	(4,858)	(2,439)	(4,858)	(2,439)
Profit before interest and tax	16,072	2,450	16,072	2,450
Finance costs	(2,179)	(1,325)	(2,179)	(1,325)
Share of results of an associate (net)	1,333	2,123	1,333	2,123
Profit before taxation	15,226	3,248	15,226	3,248
Taxation	(3,514)	(773)	(3,514)	(773)
Net profit for the period	11,712	2,475	11,712	2,475
Other comprehensive income				
- Foreign currency translations	347	88	347	88
Total comprehensive income for the period, net of tax	12,059	2,563	12,059	2,563
Net profit/(loss) for the period attributable to:				
- Owners of the Company	12,506	3,041	12,506	3,041
- Non-controlling interests	(794)	(566)	(794)	(566)
Net profit for the period	11,712	2,475	11,712	2,475
Total comprehensive income/(loss) attributable to:				
- Owners of the Company	12,853	3,129	12,853	3,129
- Non-controlling interests	(794)	(566)	(794)	(566)
Total comprehensive income for the period	12,059	2,563	12,059	2,563
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	2.88	0.70 *	2.88	0.70 *

*\*Adjusted to reflect the Bonus Issue of 186,364,365 new ordinary shares which was completed on 30 August 2021.*

**(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 2022)**

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Changes in Equity**  
**For the financial period ended 31 July 2022**

	Share capital RM'000	Exchange reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controllig interests RM'000	Total equity RM'000
At 1 May 2021	125,771	4,514	201,553	331,838	681	332,519
Total comprehensive income/(loss) for the period	-	88	3,041	3,129	(566)	2,563
Balance as at 31 July 2021	<u>125,771</u>	<u>4,602</u>	<u>204,594</u>	<u>334,967</u>	<u>115</u>	<u>335,082</u>
Balance as at 1 May 2022	125,771	4,678	232,404	362,853	(743)	362,110
Total comprehensive income/(loss) for the period	-	347	12,506	12,853	(794)	12,059
Balance as at 31 July 2022	<u>125,771</u>	<u>5,025</u>	<u>244,910</u>	<u>375,706</u>	<u>(1,537)</u>	<u>374,169</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 2022)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 31 July 2022**

	<b>Period ended 31 July 2022 RM'000</b>	<b>Period ended 31 July 2021 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	15,226	3,248
Adjustments for:		
Depreciation of property, plant and equipment	3,086	3,114
Amortisation of right-of-use assets	461	390
Fair value adjustment on derivative	1	(31)
Fair value adjustment on other investment	105	378
Property, plant and equipment written off	2	4
Loss on reassessments and modification of leases	32	-
Impairment losses/(Reversal of impairment losses) on other receivables (net)	1	(6)
Impairment losses on trade receivables (net)	7,336	3,152
Inventories written off	18	55
Reversal of inventories written down (net)	(7)	(2)
Interest income	(381)	(214)
Interest expense	2,179	1,325
Unrealised loss/(gain) on foreign exchange (net)	103	(160)
Share of results of an associate (net)	(1,333)	(2,123)
Operating profit before working capital changes	26,829	9,130
Changes in inventories	(22,504)	(29,294)
Changes in property development expenditure	(7,869)	(51,712)
Changes in receivables	10,069	58,107
Changes in payables	1,190	3,944
Cash generated from/(used in) operations	7,715	(9,825)
Tax paid	(4,104)	(3,431)
Net cash generated from/(used in) operating activities	3,611	(13,256)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,872)	(265)
Net change in short-term fund	(4,043)	(121)
Interest received	381	214
Net cash used in investing activities	(5,534)	(172)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 31 July 2022**

	<b>Period ended 31 July 2022 RM'000</b>	<b>Period ended 31 July 2021 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net drawdown/(repayment) of:		
- Bankers' acceptances	14,980	15,310
- Term loan	(1,593)	-
Payment for lease liabilities	(710)	(321)
Interest paid	<u>(2,179)</u>	<u>(1,325)</u>
Net cash generated from financing activities	<u>10,498</u>	<u>13,664</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>8,575</b>	<b>236</b>
Effect of exchange rate changes on cash and cash equivalents	200	498
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>17,598</b>	<b>31,865</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b><u>26,373</u></b>	<b><u>32,599</u></b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Deposits with licensed bank	6,600	8,050
Cash and bank balances	30,617	31,208
Bank overdrafts	<u>(10,844)</u>	<u>(6,659)</u>
	<u>26,373</u>	<u>32,599</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 2022)

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

**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 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 30 April 2022.

**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 2022 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 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

**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 2023**

MFRS 17: Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

Amendments to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and  
MFRS 9 – Comparative Information

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

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a  
Single Transaction

**(ii) 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 is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable in future financial years.

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

**A3 Qualification of financial statements**

There was no qualification in the audited financial statements for the financial year ended 30 April 2022.

**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.

**A6 Change in estimates**

There were no significant changes in estimates that have a material effect for the current quarter under review.

**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.

**A8 Dividend paid**

No dividend has been paid during the current quarter under review.



**LB ALUMINIUM BERHAD [198501006093 (138535-V)]****Notes To The Financial Statements****For the financial period ended 31 July 2022****A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income**

	Current quarter ended		Cumulative period ended	
	31 July		31 July	
	2022	2021	2022	2021
Income/(expense):	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	(3,086)	(3,114)	(3,086)	(3,114)
Amortisation of right-of-use assets	(461)	(390)	(461)	(390)
Fair value adjustment on derivative	(1)	31	(1)	31
Fair value adjustment on other investment	(105)	(378)	(105)	(378)
Loss on reassessments and modification of leases	(32)	-	(32)	-
Property, plant and equipment written off	(2)	(4)	(2)	(4)
(Impairment losses)/Reversal of impairment losses on other receivables (net)	(1)	6	(1)	6
Impairment losses on trade receivables (net)	(7,336)	(3,152)	(7,336)	(3,152)
Inventories written off	(18)	(55)	(18)	(55)
Reversal of inventories written down (net)	7	2	7	2
Interest income	381	214	381	214
Interest expense	(2,179)	(1,325)	(2,179)	(1,325)
Foreign exchange gain/(loss), (net)				
- realised	1,681	191	1,681	191
- unrealised	(103)	160	(103)	160

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

**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; and 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	210,091	16,965	227,056
Segment result	16,680	(608)	16,072
Share of results of an associate (net)	-	1,333	1,333
	16,680	725	17,405
Finance costs	(1,637)	(542)	(2,179)
Profit before taxation	15,043	183	15,226
Taxation	(3,514)	-	(3,514)
Profit after taxation	11,529	183	11,712
<b>Other information</b>			
Segment assets	605,927	232,437	838,364
Investment in an associate	-	30,877	30,877
	605,927	263,314	869,241
Current tax assets	150	2	152
Consolidated total assets	606,077	263,316	869,393
Segment liabilities	300,745	169,957	470,702
Current tax liabilities	6,396	-	6,396
Deferred tax liabilities	18,126	-	18,126
Consolidated total liabilities	325,267	169,957	495,224

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

**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	132,108	-	-	132,108
- Export	74,755	20,193	-	94,948
Inter-segment	16,103	-	(16,103)	-
Total revenue	222,966	20,193	(16,103)	227,056
Segment result	13,497	2,575	-	16,072
Finance costs				(2,179)
Share of results of an associate (net)				1,333
Profit before taxation				15,226
Taxation				(3,514)
Profit after taxation				11,712

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 [198501006093 (138535-V)]**  
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**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.

**A12 Changes in composition of the Group**

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

**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 July 2022	30 April 2022
	RM'000	RM'000
<b>Corporate guarantees given to banks for credit facilities granted to subsidiaries - unsecured</b>		
-Limit of guarantee	9,200	9,200
-Amount utilised	4,020	2,700
<b>Corporate guarantees given to third parties for supply of goods and services to a subsidiary - unsecured</b>		
-Limit of guarantee	2,000	2,000
-Amount utilised	-	-

**A14 Capital commitments**

	Group	
	31 July 2022	30 April 2022
	RM'000	RM'000
<b>Property, plant and equipment</b>		
Contracted but not provided for	-	1,816
Authorised but not contracted for	10,519	9,203

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

**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 July		Cumulative period ended 31 July	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Formosa Shyen Horng Metal Sdn Bhd - Purchase and tolling services of aluminium billets	34,960	32,151	34,960	32,151
Ritecorp Sdn Bhd - Rental of premises	15	15	15	15
	34,975	32,166	34,975	32,166

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

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
**Notes To The Financial Statements**  
**For the financial period ended 31 July 2022**

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

**B1 Review of performance**

**Current quarter ended 31 July 2022**

	<b>Aluminium</b>	<b>Property</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>1st Quarter 2023 ("1Q2023")</u></b>			
Revenue			
- Malaysia	<b>115,143</b>	<b>16,965</b>	<b>132,108</b>
- Overseas	<b>94,948</b>	<b>-</b>	<b>94,948</b>
Total Revenue	<b>210,091</b>	<b>16,965</b>	<b>227,056</b>
Profit/(Loss) From Operations	<b>21,545</b>	<b>(615)</b>	<b>20,930</b>
Net Other Operating (Expense)/Income	<b>(4,865)</b>	<b>7</b>	<b>(4,858)</b>
Finance Costs	<b>(1,637)</b>	<b>(542)</b>	<b>(2,179)</b>
Share of Results of an Associate (net)	<b>-</b>	<b>1,333</b>	<b>1,333</b>
Profit Before Taxation	<b>15,043</b>	<b>183</b>	<b>15,226</b>
Taxation	<b>(3,514)</b>	<b>-</b>	<b>(3,514)</b>
Profit After Taxation	<b>11,529</b>	<b>183</b>	<b>11,712</b>
<b><u>1st Quarter 2022 ("1Q2022")</u></b>			
Revenue			
- Malaysia	58,214	-	58,214
- Overseas	56,330	-	56,330
Total Revenue	114,544	-	114,544
Profit/(Loss) From Operations	5,668	(779)	4,889
Net Other Operating Expenses	(2,439)	-	(2,439)
Finance Costs	(1,158)	(167)	(1,325)
Share of Results of an Associate (net)	-	2,123	2,123
Profit Before Taxation	2,071	1,177	3,248
Taxation	(773)	-	(773)
Profit After Taxation	1,298	1,177	2,475
<b><u>Variance</u></b>			
Total Revenue	83.4%	N/A	98.2%
Profit/(Loss) From Operations	280.1%	N/A	328.1%
Profit Before Taxation	626.3%	-84.4%	368.8%
Profit After Taxation	788.2%	-84.4%	373.2%

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

**B1 Review of performance (continued)**

**Revenue**

For the quarter under review, the Group's revenue increased by 98.2% to RM227.06 million (1Q2022: RM114.54 million) due to improvements in both the aluminium and property segments.

**Aluminium Segment**

The Group's aluminium segment recorded higher revenue of RM210.09 million (1Q2022: RM114.54 million). The increase of 83.4% was due to higher sales volume and selling prices as the Group's aluminium operations during last year corresponding quarter were adversely affected by the lockdowns imposed by the Malaysian government to curb the spread of the COVID-19 pandemic.

**Property Segment**

The Group's property segment started to recognise revenue from its Satu Anggota Satu Rumah ("SASaR") project in Bandar Tasik Selatan. Since its launching in May 2022, the SASaR project has achieved a revenue of RM16.97 million with cumulative sales and construction progress of 26.7% and 10.0% respectively.

**Profit before taxation ("PBT")**

The Group's PBT increased by 368.8% to RM15.23 million (1Q2022: RM3.25 million) due mainly to the better performance of the aluminium segment.

**Aluminium Segment**

For the aluminium segment, the significant increase in PBT by 626.3% to RM15.04 million (1Q2022: RM2.07 million) was due mainly to higher revenue coupled with better margins.

**Property Segment**

For the property segment, the decrease in PBT by 84.4% to RM183,000 (1Q2022: RM1.18 million) was due mainly to the associate's lower contribution.

**Profit after taxation**

In line with the above, the Group's profit after taxation for 1Q2023 was RM11.71 million (1Q2022: RM2.48 million).

**LB ALUMINIUM BERHAD [198501006093 (138535-V)]**  
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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>1st Quarter 2023 ("1Q2023")</u></b>			
Revenue			
- Malaysia	<b>115,143</b>	<b>16,965</b>	<b>132,108</b>
- Overseas	<b>94,948</b>	<b>-</b>	<b>94,948</b>
Total Revenue	<b>210,091</b>	<b>16,965</b>	<b>227,056</b>
Profit/(Loss) From Operations	<b>21,545</b>	<b>(615)</b>	<b>20,930</b>
Net Other Operating (Expense)/Income	<b>(4,865)</b>	<b>7</b>	<b>(4,858)</b>
Finance Costs	<b>(1,637)</b>	<b>(542)</b>	<b>(2,179)</b>
Share of Results of an Associate (net)	<b>-</b>	<b>1,333</b>	<b>1,333</b>
Profit Before Taxation	<b>15,043</b>	<b>183</b>	<b>15,226</b>
Taxation	<b>(3,514)</b>	<b>-</b>	<b>(3,514)</b>
Profit After Taxation	<b>11,529</b>	<b>183</b>	<b>11,712</b>
<b><u>4th Quarter 2022 ("4Q2022")</u></b>			
Revenue			
- Malaysia	126,386	-	126,386
- Overseas	89,734	-	89,734
Total Revenue	216,120	-	216,120
Profit/(Loss) From Operations	28,807	(716)	28,091
Net Other Operating (Expense)/Income	(5,207)	12	(5,195)
Finance Costs	(1,429)	(869)	(2,298)
Share of Results of an Associate (net)	-	1,686	1,686
Profit Before Taxation	22,171	113	22,284
Taxation	(6,419)	-	(6,419)
Profit After Taxation	15,752	113	15,865
<b><u>Variance</u></b>			
Total Revenue	-2.8%	N/A	5.1%
Profit/(Loss) From Operations	-25.2%	N/A	-25.5%
Profit Before Taxation	-32.1%	61.9%	-31.7%
Profit After Taxation	-26.8%	61.9%	-26.2%

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



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

**Revenue**

For the quarter under review, the Group's revenue increased by 5.1% to RM227.06 million (4Q2022: RM216.12 million) due mainly to higher revenue from the property segment. The property segment recognised revenue of RM16.97 million (4Q2022: Nil) from its SASaR project in Bandar Tasik Selatan. Meanwhile, the aluminium segment recorded lower revenue of RM210.09 million (4Q2022: RM216.12 million) attributed mainly to lower sales volume.

**Profit before taxation**

The Group's PBT decreased by 31.7% to RM15.23 million (4Q2022: RM22.28 million) due mainly to a weaker performance by the aluminium segment. The aluminium segment's PBT decreased by 32.1% to RM15.04 million (4Q2022: RM22.17 million) due mainly to lower revenue and margins, while the property segment's PBT stood at RM183,000 (4Q2022: RM113,000).

**Profit after taxation**

In line with the above, the Group reported a profit after taxation of RM11.71 million for 1Q2023 (4Q2022: RM15.87 million).

**B3 Current year prospects**

**Global economy**

The global economy continued to slow down in the second quarter of 2022. Major economies recorded moderated growth amid prolonged military conflict in Ukraine, city-wide lockdowns in China, and rising global inflationary pressures. During the quarter, Euro area and US registered a lower growth of 4.0% (1Q2022: 5.4%) and 1.6% (1Q2022: 3.5%) respectively, as high inflation weighed on demand and business sentiments. Meanwhile, China's quarterly growth shrunk to 0.4% (1Q2022: 4.8%) due mainly to the imposition of lockdowns across the country under the dynamic zero-COVID policy. Moving forward, the IMF expects the global economy to grow by 3.2% in 2022. The downside risks include the unresolved military conflict in Ukraine, the rising geopolitical tensions in the Taiwan Strait, the prolonged drought in Europe and the spiraling cost of living around the globe.

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**B3 Current year prospects (continued)**

Malaysian economy

On the home front, the Malaysian economy registered a strong growth of 8.9% in the second quarter of 2022 (1Q2022: 5.0%). The continued economic recovery underpinned the GDP growth as the country entered the transition to endemic phase of COVID-19 in April 2022.

For the remainder of 2022, the Malaysian economy is projected to expand further with solid support from domestic demand, reopening of international borders, and improving labour market conditions. Nevertheless, the outlook remains susceptible to external factors, including weaker-than-expected global growth, escalation of trade tensions, and continued supply chain disruptions.

Prospects for the Group

Moving forward, we expect the global demand for aluminium will sustain despite the rising global inflationary pressures.

The Group's aluminium business is expected to be bright, supported by sustainable orders from local and overseas customers. The recent stabilisation of the global aluminium prices also augurs well for the Group as aluminium is our primary raw material. We will continue improving our product quality, delivery lead time, and after-sales service to our customers.

For the property segment, the Group's associate, Vistarena Development Sdn Bhd ("Vistarena"), had in June 2022 completed the development of Residensi Platinum OUG project. Vistarena is in the midst of delivering vacant possession to the house buyers. Meanwhile, the Group's subsidiary, Pembinaan Serta Hebat Sdn Bhd, has achieved cumulative sales and construction progress of 26.7% and 10.0% respectively, for its SASaR project.

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

**B4 Profit forecast**

Not applicable as no profit forecast was published.

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**B5 Taxation**

	Current quarter ended 31 July		Cumulative period ended 31 July	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Income tax</b>				
- current period	6,233	2,346	6,233	2,346
	6,233	2,346	6,233	2,346
<b>Deferred tax</b>				
- relating to origination and reversal of temporary differences	(2,696)	(1,573)	(2,696)	(1,573)
- under provision in prior period	(23)	-	(23)	-
	(2,719)	(1,573)	(2,719)	(1,573)
<b>Tax expense</b>	<b>3,514</b>	<b>773</b>	<b>3,514</b>	<b>773</b>

The Group's effective tax rate for the current quarter under review was lower than the statutory tax rate due mainly to the tax effect of share results of the associate.

**B6 Status of corporate proposals announced**

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

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**B7 Borrowings and debt securities**

	<b>31 July 2022</b>	<b>30 April 2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Short-term borrowings</b>		
Bankers' acceptances (unsecured)	198,860	183,880
Revolving credit (unsecured)	25,000	25,000
Bank overdrafts (secured)	10,844	12,700
Term loans		
- secured	6,960	6,960
- unsecured	1,480	1,480
	<b>243,144</b>	<b>230,020</b>
<b>Long-term borrowings</b>		
Term loans		
- secured	24,127	25,720
- unsecured	4,440	4,440
	<b>28,567</b>	<b>30,160</b>
<b>Total Borrowings</b>	<b>271,711</b>	<b>260,180</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.

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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)	12,506	12,506
<b><i>Basic earnings per share</i></b>		
Weighted average number of ordinary shares ('000)	434,851	434,851
Basic earnings per share (sen)	2.88	2.88

There are no potential dilution effects on ordinary shares of the Company for the current quarter under review.

By Order of the Board

Tan Hsiao Yuen  
Company Secretary  
Date: 27 September 2022