

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Condensed Consolidated Statement of Financial Position
As at 31 July 2023

	As at 31 July 2023 RM'000	As at 30 April 2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	176,414	177,845
Right-of-use assets	9,438	9,786
Goodwill on consolidation	757	757
Investment in an associate	4,148	4,068
Other investments	2,572	1,113
Deferred tax assets	156	164
	<u>193,485</u>	<u>193,733</u>
Current assets		
Inventories	131,940	141,526
Property development expenditure	197,552	210,837
Trade receivables	117,163	112,836
Other receivables	13,189	11,803
Contract assets	30,774	9,730
Current tax assets	952	589
Short-term funds	47,597	47,514
Deposits with licensed bank	6,800	13,880
Cash and bank balances	35,669	33,850
	<u>581,636</u>	<u>582,565</u>
TOTAL ASSETS	<u>775,121</u>	<u>776,298</u>
EQUITY AND LIABILITIES		
Equity attributable to ordinary shareholders		
Share capital	125,771	125,771
Reserves		
Exchange reserve	5,555	5,366
Retained earnings	264,606	260,282
Equity attributable to owners of the Company	<u>395,932</u>	<u>391,419</u>
Non-controlling interests	(463)	(2,506)
Total equity	<u>395,469</u>	<u>388,913</u>
Non-current liabilities		
Amount owing to a corporate shareholder of a subsidiary	17,820	17,699
Bank borrowings	97,882	94,559
Deferred tax liabilities	16,611	17,529
Lease liabilities	1,306	1,144
	<u>133,619</u>	<u>130,931</u>
Current liabilities		
Trade payables	62,531	66,476
Other payables	61,625	62,465
Derivative financial liabilities	23	-
Bank borrowings	118,698	123,007
Current tax liabilities	2,155	2,825
Lease liabilities	1,001	1,681
	<u>246,033</u>	<u>256,454</u>
TOTAL LIABILITIES	<u>379,652</u>	<u>387,385</u>
TOTAL EQUITY AND LIABILITIES	<u>775,121</u>	<u>776,298</u>
	RM	RM
Net assets per share	<u>0.91</u>	<u>0.90</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 2023)

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial period ended 31 July 2023

	Current quarter ended		Cumulative period ended	
	31 July 2023 RM'000	31 July 2022 RM'000	31 July 2023 RM'000	31 July 2022 RM'000
Revenue	205,858	227,056	205,858	227,056
Operating expenses	(195,616)	(206,126)	(195,616)	(206,126)
Profit from operations	10,242	20,930	10,242	20,930
Net other operating expenses	(1,298)	(4,858)	(1,298)	(4,858)
Profit before interest and tax	8,944	16,072	8,944	16,072
Finance costs	(1,899)	(2,179)	(1,899)	(2,179)
Share of results of an associate (net)	80	1,333	80	1,333
Profit before taxation	7,125	15,226	7,125	15,226
Taxation	(758)	(3,514)	(758)	(3,514)
Net profit for the period	6,367	11,712	6,367	11,712
Other comprehensive income				
- Foreign currency translations	189	347	189	347
Total comprehensive income for the period, net of tax	6,556	12,059	6,556	12,059
Net profit/(loss) for the period attributable to:				
- Owners of the Company	4,324	12,506	4,324	12,506
- Non-controlling interests	2,043	(794)	2,043	(794)
Net profit for the period	6,367	11,712	6,367	11,712
Total comprehensive income/(loss) attributable to:				
- Owners of the Company	4,513	12,853	4,513	12,853
- Non-controlling interests	2,043	(794)	2,043	(794)
Total comprehensive income for the period	6,556	12,059	6,556	12,059
Earnings per share attributable to owners of the Company (sen)				
- Basic/Diluted	0.99	2.88	0.99	2.88

(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 2023)

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 July 2023

	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
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>
Balance as at 1 May 2023	125,771	5,366	260,282	391,419	(2,506)	388,913
Total comprehensive income for the period	-	189	4,324	4,513	2,043	6,556
Balance as at 31 July 2023	<u>125,771</u>	<u>5,555</u>	<u>264,606</u>	<u>395,932</u>	<u>(463)</u>	<u>395,469</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 2023)

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 July 2023

	Period ended 31 July 2023 RM'000	Period ended 31 July 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,125	15,226
Adjustments for:		
Depreciation of property, plant and equipment	3,191	3,086
Depreciation of right-of-use assets	444	461
Loss on reassessments and modification of leases	-	32
Fair value adjustment on derivative	23	1
Fair value adjustment on other investments	541	105
Fair value adjustment on short term funds	(77)	-
Gain on disposal of property, plant and equipment (net)	(9)	-
Property, plant and equipment written off	-	2
Impairment losses on trade receivables (net)	1,717	7,336
Impairment losses on other receivables (net)	-	1
Inventories written off	7	18
Reversal of inventories written down (net)	(2)	(7)
Interest income	(576)	(381)
Interest expense	1,899	2,179
Unrealised loss on foreign exchange (net)	491	103
Share of results of an associate (net)	(80)	(1,333)
Operating profit before working capital changes	14,694	26,829
Changes in inventories	9,593	(22,504)
Changes in property development expenditure	13,285	(7,869)
Changes in receivables	(28,795)	10,069
Changes in payables	(4,290)	1,190
Cash generated from operations	4,487	7,715
Tax refunded	16	-
Tax paid	(2,738)	(4,104)
Net cash generated from operating activities	1,765	3,611
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	330	-
Purchase of property, plant and equipment	(2,059)	(1,872)
Investment in quoted shares	(2,000)	-
Net change in short-term funds	(83)	(4,043)
Interest received	576	381
Net cash used in investing activities	(3,236)	(5,534)

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 July 2023

	Period ended 31 July 2023 RM'000	Period ended 31 July 2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of:		
- Bankers' acceptances	(5,210)	14,980
- Term loan	3,333	(1,593)
Payment for lease liabilities	(614)	(710)
Interest paid	<u>(1,899)</u>	<u>(2,179)</u>
Net cash (used in)/generated from financing activities	<u>(4,390)</u>	<u>10,498</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,861)	8,575
Effect of exchange rate changes on cash and cash equivalents	(291)	200
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	35,764	17,598
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>29,612</u>	<u>26,373</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Deposits with licensed bank	6,800	6,600
Cash and bank balances	35,669	30,617
Bank overdrafts	<u>(12,857)</u>	<u>(10,844)</u>
	<u>29,612</u>	<u>26,373</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 2023)

LB ALUMINIUM BERHAD [198501006093 (138535-V)]
Notes To The Financial Statements
For the financial period ended 31 July 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 (“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 2023. 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 2023.

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 2023 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 2023

MFRS 17: Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

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

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

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Notes To The Financial Statements
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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 2024

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101: Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

(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.

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Notes To The Financial Statements
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A3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 30 April 2023.

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 2023****A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income**

	Current quarter ended		Cumulative period ended	
	31 July		31 July	
	2023	2022	2023	2022
Income/(expense):	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	(3,191)	(3,086)	(3,191)	(3,086)
Depreciation of right-of-use assets	(444)	(461)	(444)	(461)
Fair value adjustment on derivative	(23)	(1)	(23)	(1)
Fair value adjustment on other investments	(541)	(105)	(541)	(105)
Fair value adjustment on short term funds	77	-	77	-
Loss on reassessments and modification of leases	-	(32)	-	(32)
Gain on disposal of property, plant and equipment (net)	9	-	9	-
Property, plant and equipment written off	-	(2)	-	(2)
Impairment losses on trade receivables (net)	(1,717)	(7,336)	(1,717)	(7,336)
Impairment losses on other receivables (net)	-	(1)	-	(1)
Inventories written off	(7)	(18)	(7)	(18)
Reversal of inventories written down (net)	2	7	2	7
Interest income	576	381	576	381
Interest expense	(1,899)	(2,179)	(1,899)	(2,179)
Foreign exchange gain/(loss) (net)				
- realised	584	1,681	584	1,681
- unrealised	(491)	(103)	(491)	(103)

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Notes To The Financial Statements
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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

	Aluminium	Property	Total
	RM'000	RM'000	RM'000
Revenue			
External customers	150,263	55,595	205,858
Segment result	4,661	4,283	8,944
Share of results of an associate (net)	-	80	80
	4,661	4,363	9,024
Finance costs	(1,145)	(754)	(1,899)
Profit before taxation	3,516	3,609	7,125
Taxation	(758)	-	(758)
Profit after taxation	2,758	3,609	6,367
Other information			
Segment assets	512,971	256,894	769,865
Investment in an associate	-	4,148	4,148
	512,971	261,042	774,013
Current tax assets	659	293	952
Deferred tax assets	156	-	156
Consolidated total assets	513,786	261,335	775,121
Segment liabilities	156,347	204,539	360,886
Current tax liabilities	2,155	-	2,155
Deferred tax liabilities	16,611	-	16,611
Consolidated total liabilities	175,113	204,539	379,652

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Notes To The Financial Statements
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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.

	Malaysia	Singapore	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Revenue				
External customers:				
- Local	151,734	-	-	151,734
- Export	35,492	18,632	-	54,124
Inter-segment	12,528	-	(12,528)	-
Total revenue	199,754	18,632	(12,528)	205,858
Segment result	7,259	1,685	-	8,944
Finance costs				(1,899)
Share of results of an associate (net)				80
Profit before taxation				7,125
Taxation				(758)
Profit after taxation				6,367

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

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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 2023	30 April 2023
	RM'000	RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries		
<u>Unsecured</u>		
-Limit of guarantee	9,200	9,200
-Amount utilised	4,210	3,679
<u>Secured</u>		
-Limit of guarantee	71,400	71,400
-Amount utilised	30,141	30,131
Corporate guarantees given to third parties for supply of goods and services to a subsidiary		
<u>Unsecured</u>		
-Limit of guarantee	2,000	2,000
-Amount utilised	89	-

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Notes To The Financial Statements
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A14 Capital commitments

	Group	
	31 July 2023	30 April 2023
	RM'000	RM'000
Property, plant and equipment		
Contracted but not provided for	-	-
Authorised but not contracted for	14,643	8,486

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:

	Current quarter ended		Cumulative period ended	
	31 July		31 July	
	2023	2022	2023	2022
Transacting parties and transaction details	RM'000	RM'000	RM'000	RM'000
Formosa Shyen Horng Metal Sdn Bhd - Purchase and tolling services of aluminium billets	30,758	34,960	30,758	34,960
Ritecorp Sdn Bhd - Rental of premises	15	15	15	15
	30,773	34,975	30,773	34,975

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

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Notes To The Financial Statements
For the financial period ended 31 July 2023

B Additional information required by the Bursa Securities' Listing Requirements

B1 Review of performance

Current quarter ended 31 July 2023

	Aluminium	Property	Total
	RM'000	RM'000	RM'000
<u>1st Quarter 2024 ("1Q2024")</u>			
Revenue			
- Malaysia	96,139	55,595	151,734
- Overseas	54,124	-	54,124
Total Revenue	150,263	55,595	205,858
Profit From Operations	6,009	4,233	10,242
Net Other Operating (Expenses)/Income	(1,348)	50	(1,298)
Finance Costs	(1,145)	(754)	(1,899)
Share of Results of an Associate (net)	-	80	80
Profit Before Taxation	3,516	3,609	7,125
Taxation	(758)	-	(758)
Profit After Taxation	2,758	3,609	6,367
<u>1st Quarter 2023 ("1Q2023")</u>			
Revenue			
- Malaysia	115,143	16,965	132,108
- Overseas	94,948	-	94,948
Total Revenue	210,091	16,965	227,056
Profit/(Loss) From Operations	21,545	(615)	20,930
Net Other Operating (Expenses)/Income	(4,865)	7	(4,858)
Finance Costs	(1,637)	(542)	(2,179)
Share of Results of an Associate (net)	-	1,333	1,333
Profit Before Taxation	15,043	183	15,226
Taxation	(3,514)	-	(3,514)
Profit After Taxation	11,529	183	11,712
<u>Variance</u>			
Total Revenue	-28.5%	227.7%	-9.3%
Profit/(Loss) From Operations	-72.1%	N/A	-51.1%
Profit Before Taxation	-76.6%	1872.1%	-53.2%
Profit After Taxation	-76.1%	1872.1%	-45.6%

N/A – Not applicable due to incomparability.

B1 Review of performance (continued)

Revenue

For the quarter under review, the Group's revenue decreased by 9.3% to RM205.86 million (1Q2023: RM227.06 million) due to lower contribution from the aluminium segment.

Aluminium Segment

The Group's aluminium segment reported revenue of RM150.26 million (1Q2023: RM210.09 million). The decrease of 28.5% was due mainly to reduced sales volume and lower average selling prices compared to the previous year's corresponding quarter.

Property Segment

The Group's property segment reported revenue of RM55.60 million (1Q2023: RM16.97 million) from its Satu Anggota Satu Rumah ("SASaR") and PSV 1 Residences @ Platinum South Valley ("PSV 1 Residences") projects in Bandar Tasik Selatan, Kuala Lumpur.

Profit before taxation ("PBT")

The Group's PBT decreased by 53.2% to RM7.13 million (1Q2023: RM15.23 million) due mainly to lower contribution from the aluminium segment.

Aluminium Segment

For the aluminium segment, the decrease in PBT by 76.6% to RM3.52 million (1Q2023: RM15.04 million) was due mainly to decreases in both revenue and margins.

Property Segment

The Group's property segment reported a PBT of RM3.61 million (1Q2023: RM183,000) due mainly to higher contributions from the SASaR and PSV 1 Residences projects.

Profit after taxation

In line with the above, the Group's profit after taxation for 1Q2024 was RM6.37 million (1Q2023: RM11.71 million).

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B2 Variance of results against preceding quarter

	Aluminium	Property	Total
	RM'000	RM'000	RM'000
<u>1st Quarter 2024 ("1Q2024")</u>			
Revenue			
- Malaysia	96,139	55,595	151,734
- Overseas	54,124	-	54,124
Total Revenue	150,263	55,595	205,858
Profit From Operations	6,009	4,233	10,242
Net Other Operating (Expenses)/Income	(1,348)	50	(1,298)
Finance Costs	(1,145)	(754)	(1,899)
Share of Results of an Associate (net)	-	80	80
Profit Before Taxation	3,516	3,609	7,125
Taxation	(758)	-	(758)
Profit After Taxation	2,758	3,609	6,367
<u>4th Quarter 2023 ("4Q2023")</u>			
Revenue			
- Malaysia	93,084	50,297	143,381
- Overseas	41,453	-	41,453
Total Revenue	134,537	50,297	184,834
Profit From Operations	10,696	3,103	13,799
Net Other Operating Expenses	(258)	(5,750)	(6,008)
Finance Costs	(1,432)	(944)	(2,376)
Share of Results of an Associate (net)	-	(99)	(99)
Profit/(Loss) Before Taxation	9,006	(3,690)	5,316
Taxation	610	-	610
Profit/(Loss) After Taxation	9,616	(3,690)	5,926
<u>Variance</u>			
Total Revenue	11.7%	10.5%	11.4%
Profit From Operations	-43.8%	36.4%	-25.8%
Profit/(Loss) Before Taxation	-61.0%	N/A	34.0%
Profit/(Loss) After Taxation	-71.3%	N/A	7.4%

N/A – Not applicable due to incomparability.

B2 Variance of results against preceding quarter (continued)

Revenue

The Group's revenue increased by 11.4% for the quarter under review to RM205.86 million (4Q2023: RM184.83 million). The aluminium segment recorded revenue of RM150.26 million (4Q2023: RM134.54 million), which increased by 11.7% due mainly to higher sales volume compared to the preceding quarter. Meanwhile, the property segment recognised a higher revenue at RM55.60 million (4Q2023: RM50.30 million), primarily owing to higher sales and work progress of the SASaR and PSV 1 Residences projects.

Profit before taxation ("PBT")

The Group's PBT for 1Q2024 stood at RM7.13 million compared to the previous quarter of RM5.32 million. The aluminium segment recorded a lower PBT of RM3.52 million (4Q2023: RM9.00 million) due mainly to decreased margins. Meanwhile, the property segment recorded a PBT of RM3.61 million compared to a loss before taxation of RM3.69 million in the preceding quarter. During the preceding quarter, the Group recorded impairment losses on investment in an associate of RM5.78 million.

Profit after taxation

In line with the above, the Group reported a profit after taxation of RM6.37 million for 1Q2024 (4Q2023: RM5.93 million).

B3 Current year prospects

Global economy

For the second quarter of 2023, the global economy grew modestly. China recorded a higher year-on-year growth at 6.3% (1Q2023: 4.5%), underpinned by its post-reopening recovery and low base in 2Q2022 due to COVID-19 lockdowns. Meanwhile, the United States posted a higher growth of 2.6% (1Q2023: 1.8%), while the Euro area recorded a slower growth of 0.6% (1Q2023: 1.1%). For the second half of 2023, the global economy is expected to grow moderately amid downside risks of higher-than-expected inflation, escalation of geopolitical tensions, and continuous tightening in financial conditions.

Malaysian economy

On the home front, Malaysia recorded a slower year-on-year growth at 2.9% for the second quarter of 2023 (1Q2023: 5.6%). The current quarter's GDP was mainly supported by investment activities and continued improvement in labour market conditions. For the second half of 2023, the local economy is expected to grow at a moderate pace with the support of domestic demand. Headwinds to domestic growth include weaker-than-expected global trade activities.

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B3 Current year prospects (continued)

Prospects for the Group

For the aluminium segment, the stabilisation of the global aluminium prices augurs well for us as our primary raw material is aluminium billet. However, the weakening of the Malaysian Ringgit vis-à-vis the USD has increased the costs of our imported billets. We will continue to closely monitor our operational costs as well as selling prices so to maintain our margins.

For the property segment, the cumulative sales for the SASaR and PSV 1 Residences as of 31 July 2023 were 81.3% and 39.4% respectively, while cumulative construction progress were 29.3% and 17.6% respectively. The projects will continue contributing positively to the Group as and when we achieve higher sales and work progress.

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	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current period	1,668	6,233	1,668	6,233
	1,668	6,233	1,668	6,233
Deferred tax				
- relating to origination and reversal of temporary differences	(541)	(2,696)	(541)	(2,696)
- overprovision in prior period	(369)	(23)	(369)	(23)
	(910)	(2,719)	(910)	(2,719)
Tax expense	758	3,514	758	3,514

The Group's effective tax rate for the current quarter under review was lower than the statutory tax rate due mainly to the overprovision of deferred tax liabilities.

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

	31 July 2023	30 April 2023
	RM'000	RM'000
Short-term borrowings		
Bankers' acceptances (unsecured)	84,220	89,430
Revolving credits (unsecured)	20,000	20,000
Bank overdrafts (secured)	12,857	11,966
Term loans		
- secured	141	131
- unsecured	1,480	1,480
	118,698	123,007
Long-term borrowings		
Term loans		
- secured	94,922	91,599
- unsecured	2,960	2,960
	97,882	94,559
Total Borrowings	216,580	217,566

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

	Current quarter	Cumulative period
Net profit for the period attributable to ordinary shareholders (RM'000)	4,324	4,324
<i>Basic earnings per share</i>		
Weighted average number of ordinary shares ('000)	434,851	434,851
Basic earnings per share (sen)	0.99	0.99

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 2023