



LB
ALUMINIUM
BERHAD

[198501006093 (138535-V)]

Building
a Solid
Platform for
*Sustainable
Growth*

Annual Report 2022



Building a Solid Platform for Sustainable Growth

A tree with deep roots can weather any storm. Throughout the COVID-19 pandemic, LB Aluminium Berhad has consistently delivered a strong financial performance and even achieved record high revenues and profits despite the challenges faced.

As we look to the future with renewed confidence and determination, we are committed to expanding our environmental, social and governance (“ESG”) efforts, supported by strong financials, to lay the foundation for sustainable growth in the decade ahead.



VISION

Preferred Global Partner in Aluminium

MISSION



Customer Focus

- We understand customer needs
- Our products will be of consistent quality
- We deliver on-time and in the right order quantity
- Our customers are our partners in business
- We assist customers in achieving their needs



Teamwork

- We win together
- We practise shared leadership and cooperate with each other
- We value differences but work towards a common objective
- We believe in the benefits of teamwork



Operational Excellence

- Best in class on quality, on-time delivery and cost
- We manage as entrepreneurs in our daily operations
- We will innovate to achieve the best production facility



Stakeholders' Interest

- We focus on profitable growth for our stakeholders
- We manage and safeguard assets and resources effectively
- We provide safe work environment and employment opportunities
- We provide staff future growth and development
- We care for the environment

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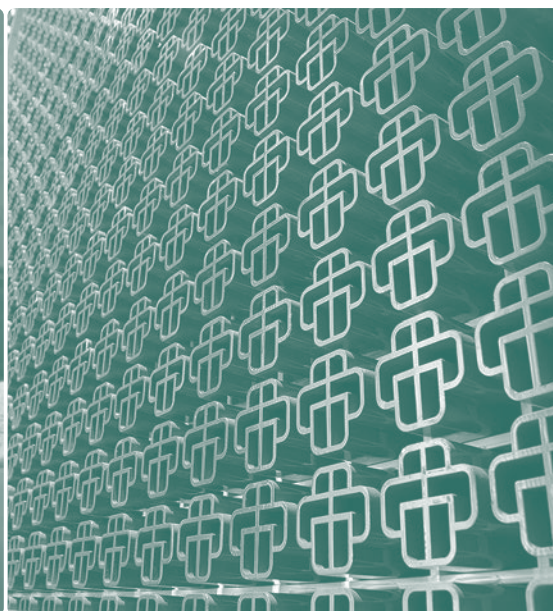
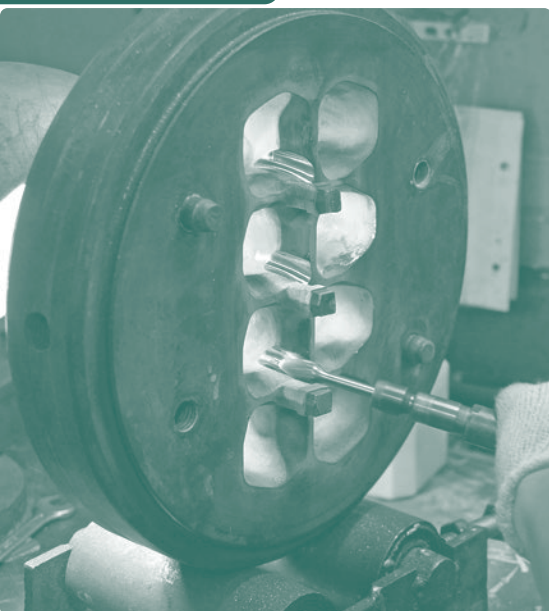
ANNUAL GENERAL MEETING

Fully virtual meeting via TIH Online website at <https://tiah.online> or <https://tiah.com.my> (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia



Thursday, 29 September 2022
10:00 a.m.

For more information, please visit our website: <https://www.lbalum.com>





CORPORATE PROFILE



Incorporated in 1985, LB Aluminium Berhad is today the largest supplier of aluminium extrusion products in Malaysia and one of the largest aluminium extrusion manufacturers in South-East Asia.

LB Aluminium Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad and has been a public listed company since 1994. The Company's consolidated shareholders funds as at 30 April 2022 stood at RM362.9 million with total number of shareholders at 7,900. For the financial year ended 30 April 2022 the Group posted a turnover of RM686.6 million.

**Shareholders
Funds**



RM362.9 million

FY2021: RM331.8 million

**Number of
Shareholders**



7,900

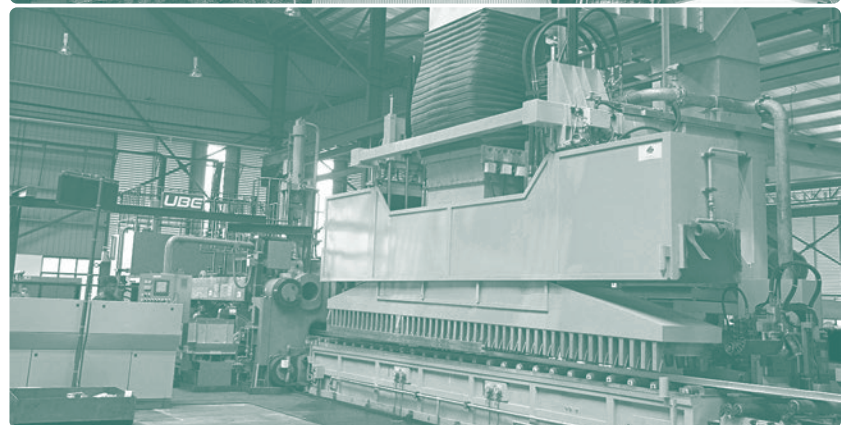
FY2021: 6,736

ALUMINIUM BUSINESS

The Company's production facilities are located on a 31-acre site in Beranang in the state of Selangor and within a thirty (30) minutes' drive from the Kuala Lumpur International Airport as well as on a 4-acre site in Kuching, Sarawak.

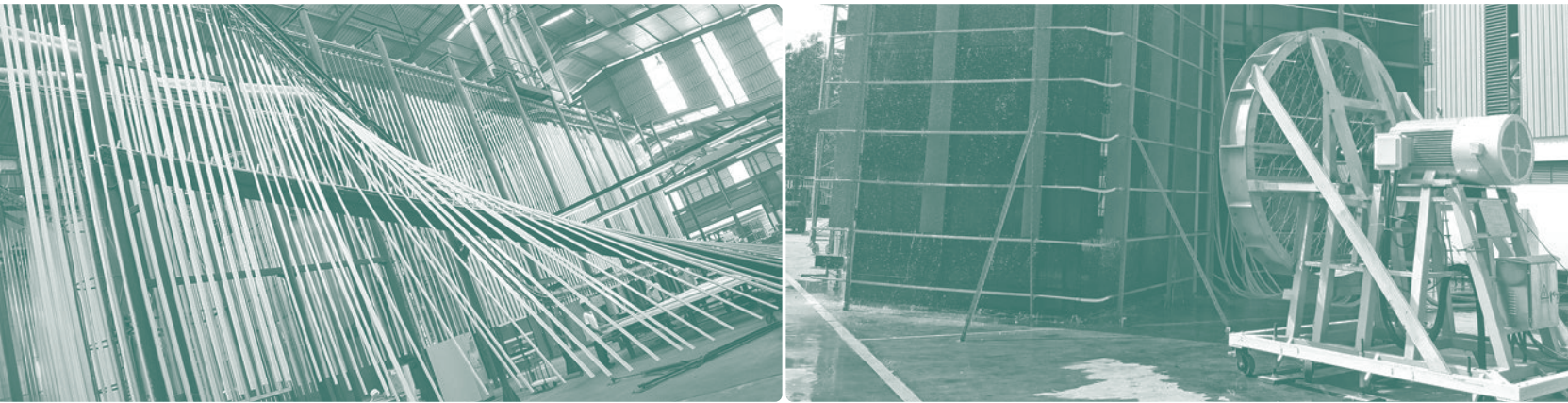
Our existing integrated production facilities including extrusion presses from UBE, Japan have an annual production capacity of 100,000 metric tonnes. The production facility includes a 4,300 tonnes extrusion press which is the largest press currently available in Malaysia. Ancillary equipment comprises of billet heaters/log shears, billet heaters/hot saws, double pullers as well as quenching boxes.

To complement the aesthetics finishing of the extrusion products, we have the first and only fully automated vertical anodising plant in Malaysia that adheres to Japanese standards which ensure uniformity and consistency of quality with a monthly capacity of up to 1,400 metric tonnes. The Group also has a horizontal anodising line in Beranang with monthly capacity of 1,000 metric tonnes and together with an anodising line of 600 metric tonnes monthly capacity in our Kuching factory, our combined anodising capacity annually is 36,000 metric tonnes. We have also added a new anodising process for premium color anodising which ensures consistent and uniform color anodised products.





CORPORATE PROFILE (CONT'D)



In addition to the anodising plants, we have a fully integrated vertical powder coating line and a horizontal painting line with combined annual capacity of 24,000 metric tonnes, both equipped with painting system from Wagner, Germany. We also have a fluorocarbon painting line.

Our in-house die/mould shop is equipped with the latest computer-aided design and manufacturing machines including CNC (computer numerical control) die cutting and EDM (electrical discharge machining) machines capable of producing die/mould of various complexities.

In addition, we provide value added services to our customers such as cutting, degreasing, punching, stamping, assembling and packing as OEM (original equipment manufacturer). Our equipments include CNC sawing machines, punching machines, bending machines, etc. We also have test rig facilities to provide specific product or system testing including performance tests for windows, doors and facades.

We pride ourselves in constantly upgrading the quality of our products to meet the changing needs of our customers and society. Achievement of the highest standards of excellence like the MS ISO 9001:2015 standard and UKAS Accreditation certification are testimonies to our excellence in the aluminium extrusion industry.

LB Aluminium Berhad has an extensive branch network with sales outlets cum warehouses in the major cities and towns in the Peninsular and East Malaysia and Singapore. Our export markets include destinations in North America, Europe, Australia and New Zealand as well as in South East Asia.

PROPERTY DEVELOPMENT BUSINESS

The Company had in March 2018 diversified its principal activities to include property development.

The Company's maiden project is the acquisition of a 20% equity interest in Vistarena Development Sdn Bhd ("Vistarena") which is developing a residential project, Platinum OUG Residence, at Kampung Muhibah, Kuala Lumpur, with a gross development value of approximately RM468.0 million. Vistarena expects to complete the project and deliver vacant possession to the house buyers in the third quarter of 2022.

In addition, the Company has two subsidiaries, namely Pembinaan Serta Hebat Sdn Bhd ("PSH") and Contras Build Sdn Bhd ("CBSB"), which are involved in property development. PSH has recently launched the Satu Anggota Satu Rumah ("SASaR") project with a gross development value of RM633.8 million located at Bandar Tasik Selatan. The SASaR project is expected to contribute positively to the Group in the future. Meanwhile, CBSB is in the project planning stage.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of LB Aluminium Berhad (“**Company**”) will be conducted on a fully virtual basis using the remote participation and voting facilities through the online meeting platform, TIIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 29 September 2022 at 10:00 a.m., for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 April 2022 together with the Reports of the Directors and Auditors thereon. *[Please refer to Explanatory Note 1 on Ordinary Business]*
2. To approve the payment of a first and final single tier dividend of 2.50 sen per ordinary share in respect of the financial year ended 30 April 2022. **(Resolution 1)**
3. To approve the payment of Directors’ fees of RM400,000.00 for the financial year ended 30 April 2022. **(Resolution 2)**
[Please refer to Explanatory Note 2 on Ordinary Business]
4. To approve the payment of Directors’ benefits of up to RM45,000.00 for the period immediately after this annual general meeting until the next annual general meeting of the Company. **(Resolution 3)**
[Please refer to Explanatory Note 2 on Ordinary Business]
5. To re-elect the following Directors who retire in accordance with Clause 76(3) of the Company’s Constitution:- *[Please refer to Explanatory Note 3 on Ordinary Business]*
 - (i) Mr Toh Khiam Huat **(Resolution 4)**
 - (ii) Mr Chew Kat Nyap **(Resolution 5)**
 - (iii) Mr Teh Kok Heng **(Resolution 6)**
6. To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
[Please refer to Explanatory Note 4 on Ordinary Business]

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolutions:

7. **Ordinary Resolution(s)** *[Please refer to Explanatory Note 1 on Special Business]*
Continuation in Office as Independent Directors
 - (i) “THAT subject to the passing of Resolution 4 above, approval be and is hereby given for Mr Toh Khiam Huat who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company to hold office until the conclusion of the next annual general meeting of the Company.” **(Resolution 8)**



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

(ii) "THAT subject to the passing of Resolution 5 above, approval be and is hereby given for Mr Chew Kat Nyap who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company to hold office until the conclusion of the next annual general meeting of the Company." **(Resolution 9)**

(iii) "THAT subject to the passing of Resolution 6 above, approval be and is hereby given for Mr Teh Kok Heng who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company to hold office until the conclusion of the next annual general meeting of the Company." **(Resolution 10)**

8. **Ordinary Resolution**

Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

[Please refer to Explanatory Note 2 on Special Business]

"THAT subject always to the Companies Act 2016 ("**Act**"), the Constitution of the Company, Bursa Malaysia Securities Berhad ("**Bursa Securities**") Main Market Listing Requirements and the approvals of the relevant governmental/regulatory authorities (if any), the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting."

(Resolution 11)

9. **Ordinary Resolution**

Proposed Renewal of Authority for Share Buy-Back

[Please refer to Explanatory Note 3 on Special Business]

"THAT subject always to the Companies Act 2016 ("**Act**"), the Constitution of the Company, Bursa Malaysia Securities Berhad ("**Bursa Securities**") Main Market Listing Requirements ("**Listing Requirements**") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

(Resolution 12)

- (i) the aggregate number of issued shares in the Company ("**Shares**") purchased ("**Purchased Shares**") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

**NOTICE OF ANNUAL GENERAL MEETING (CONT'D)**

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

10. Ordinary Resolution

Proposed Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature*[Please refer to Explanatory Note 4 on Special Business]***(Resolution 13)**

"THAT subject to the provisions of Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company and its subsidiaries ("**Group**") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.2 of the Circular to Shareholders dated 29 August 2022, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "**Proposed RRPT Mandate**").

THAT the Proposed RRPT Mandate shall only continue to be in full force until:-

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
- (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed RRPT Mandate."

11. To consider any other business of which due notice shall have been given.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Annual General Meeting to be held on 29 September 2022, the first and final single tier dividend of 2.50 sen per ordinary share in respect of the financial year ended 30 April 2022 will be paid on 18 October 2022 to Depositors whose names appear in the Record of Depositors on 4 October 2022.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- a) shares transferred into the depositor's securities account before 4:30 p.m. on 4 October 2022 in respect of transfers; and
- b) shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

Wong Wai Foong [SSM PC NO. 202008001472 (MAICSA 7001358)]

Tan Hsiao Yuen [SSM PC NO. 201908002342 (MAICSA 7056952)]

Company Secretaries

Kuala Lumpur
29 August 2022

NOTES:-

1. IMPORTANT NOTICE

The Annual General Meeting ("AGM") will be conducted on a fully virtual basis using the remote participation and voting ("RPV") facilities through the online meeting platform, TIIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") in Malaysia via its website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 29 September 2022 at 10:00 a.m.. Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the AGM via the RPV facilities provided by Tricor.

Please read these Notes carefully and follow the procedures in the Administrative Notes for the AGM in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 22 September 2022. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM or appoint a proxy or proxies to participate on his/her/its behalf via RPV.
3. A member who is entitled to participate at this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM via RPV.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. A member who has appointed a proxy or attorney or authorised representative to participate at the AGM via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via TIIH Online website at <https://tiah.online>. Procedures for RPV can be found in the Administrative Notes for the AGM.
9. The appointment of a proxy may be made in hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:-
 - (i) In hard copy form

In the case of an appointment made in hard copy form, this proxy form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) By electronic means via facsimile

In the case of an appointment made by facsimile transmission, this proxy form must be received via facsimile at 03-2783 9222.
 - (iii) By electronic means via email

In the case of an appointment made via email transmission, this proxy form must be received via email at is.enquiry@my.tricorglobal.com.

For options (ii) and (iii), the Company may request any member to deposit original executed proxy form to Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur before or on the day of meeting for verification purpose.
 - (iv) By electronic form via TIIH Online

In the case of an appointment of a proxy made in electronic form, the proxy form must be deposited via TIIH Online website at <https://tiah.online>. Please follow the procedures as set out in the Administrative Notes for the electronic lodgement of proxy form.
10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging this proxy form is **Tuesday, 27 September 2022 at 10:00 a.m.**
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:-
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES TO ORDINARY BUSINESS

1. Item 1 of the Agenda – Receipt of Report and Audited Financial Statements

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. They do not require shareholders' approval and hence, will not be put forward for voting by shareholders of the Company.

2. Ordinary Resolutions 2 and 3 – Directors' Fees and Directors' Benefits for the financial year ended 30 April 2022

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The proposed Resolutions 2 and 3 are to facilitate the payment of Directors' fees and benefits to the Directors.

The proposed Resolution 3 for the Directors' benefits (being meeting allowances) are calculated based on the current Board of Directors ("Board") size and the number of scheduled Board and Audit Committee meetings for the period from the conclusion of this AGM up to the next AGM. Each member of the Board and Audit Committee of the Company will be paid meeting allowance of RM500.00 per meeting for their attendance at the Board and Audit Committee meetings of the Company.

In the event the proposed amount of Directors' fees and/or benefits are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

3. Ordinary Resolutions 4, 5 and 6 – Re-election of Directors who retire in accordance with Clause 76(3) of the Constitution of the Company

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance, the profiles of the Directors who are standing for re-election as per Agenda item no. 5 are set out in the Directors' profile of the Annual Report 2022. They have offered themselves for re-election at the AGM.

The Board has through the Nomination Committee ("NC"), considered the assessment of the said Directors and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. The justifications to support the Board's recommendation to re-elect the aforementioned Directors are as follows:

- (i) Mr Toh Khiam Huat fulfills the requirements of independence set out in the Listing Requirements of Bursa Securities. He has remained objective and independent in expressing his view and participating in Board deliberations and decision-making. He has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director and Chairman of the Audit Committee of the Company.
- (ii) Mr Chew Kat Nyap has vast experience in senior management specifically in investor services and primary capital market activities gained over the years in prominent accounting and service firms and an investment bank and is able to provide the Board with a diverse set of expertise and perspective. He fulfills the requirements of independence set out in the Listing Requirements of Bursa Securities. He also exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.
- (iii) Mr Teh Kok Heng has vast experience in Design and Construction Management, specializing in Brand Activation business as well as Interior Architecture Fit-out and Advertising. He is able to provide the Board with a diverse set of expertise and perspective. He fulfills the requirements of independence as set out in Practice Note 13 of the Listing Requirements of Bursa Securities. He remains objective and independent in expressing his view and participating in Board deliberations and decision-making.

4. Ordinary Resolution 7 – Re-appointment of Auditors

The Board has through the Audit Committee, considered the re-appointment of Messrs BDO PLT as Auditors of the Company. The factors considered by the Audit Committee in making the recommendation to the Board to table the re-appointment of Messrs BDO PLT at the forthcoming AGM, included an assessment of the Auditors' independence and objectivity, caliber and quality process/performance.

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. Ordinary Resolutions 8, 9 and 10 – Continuation in Office as Independent Directors

Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than (9) nine years.

Mr Toh Khiam Huat, Mr Chew Kat Nyap and Mr Teh Kok Heng were appointed to the Board on 31 July 2013 as Independent Directors. They have therefore served for more than nine (9) years.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

The Board has through the NC, assessed their independence and recommended them to continue to act as Independent Directors of the Company based on the following justifications:-

- (i) they had fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa Securities and were therefore able to bring independent and objective judgment to the Board;
- (ii) they have been with the Group for many years and possessed a deep understanding of the Group's business operations, and had continued to critically and constructively challenge and contribute to the development of effective business strategy and direction of the Company during Board and Board committees' meetings;
- (iii) their long tenure with the Company had neither impaired nor compromised their independent judgement. They were free from any business or other relationships which could interfere with their exercise of independent judgement;
- (iv) they provided effective check and balance in the proceeding of the Board and the Board committees;
- (v) they continued to remain objective and were able to exercise independent judgement in expressing their views and in participating in deliberations and decision making of the Board and Board committees in the best interest of the Company;
- (vi) they exhibited high commitment and devoted sufficient time and attention to their responsibilities as Independent Directors of the Company; and
- (vii) they had met the attendance requirements for Board meetings pursuant to the Listing Requirements of Bursa Securities. This testified to their dedication to discharging the responsibilities expected of an Independent Director.

The proposed Resolutions 8, 9 and 10, if passed, will enable Mr Toh Khiam Huat, Mr Chew Kat Nyap and Mr Teh Kok Heng to continue to act as Independent Directors of the Company.

Mr Neoh Lay Keong and Dato' Dr Mohd Husni Bin Ahmad, the Independent Directors who have served the Board for more than 12 years, have indicated to the Company that they will be stepping down as Independent Directors after the conclusion of this AGM.

Upon the resignation of Mr Neoh Lay Keong and Dato' Dr Mohd Husni Bin Ahmad, the Company will not be in compliance with Paragraph 15.09(1) of the Listing Requirements of Bursa Securities and must fill the vacancies within three (3) months from the date of their resignation. The Company will source the replacements soonest possible and make the necessary announcements relating thereto to Bursa Securities.

2. **Ordinary Resolution 11 – Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Resolution 11 is the renewal of the mandate obtained from the members at the last AGM. As at the date of this Notice, the Company did not allot any shares pursuant to the mandate granted to the Directors at the previous AGM held on 28 October 2021 as there were no requirements for such fund raising activities.

The proposed Resolution 11, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s) at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

3. **Ordinary Resolution 12 – Proposed Renewal of Authority for Share Buy-Back**

The proposed Resolution 12, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 29 August 2022 in relation to the Proposed Renewal of Authority for Share Buy-Back for further details.

4. **Ordinary Resolution 13 – Proposed Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Resolution 13, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms which are not detrimental to the interest of the minority shareholders.

Please refer to the Circular to Shareholders dated 29 August 2022 for further information.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman

Tan Sri Datuk Leow Chong Howa*

Chief Executive Officer

Mark Wing Kong*

Executive Director

Yap Chee Woon*

Non-Independent Non-Executive Director

Leow Sok Hoon

Senior Independent Non-Executive Director

Neoh Lay Keong

Independent Non-Executive Directors

Dato' Dr Mohd Husni Bin Ahmad

Toh Khiam Huat

Chew Kat Nyap

Teh Kok Heng

Alternate Director to Tan Sri Datuk Leow Chong Howa

Leow Vinzie*

**Members of Senior Management Team*

AUDIT COMMITTEE

Independent Non-Executive Director – Chairman

Toh Khiam Huat

Senior Independent Non-Executive Director

Neoh Lay Keong

Independent Non-Executive Director

Dato' Dr Mohd Husni Bin Ahmad

NOMINATION COMMITTEE

Senior Independent Non-Executive Director – Chairman

Neoh Lay Keong

Independent Non-Executive Directors

Dato' Dr Mohd Husni Bin Ahmad

Chew Kat Nyap

REMUNERATION COMMITTEE

Senior Independent Non-Executive Director – Chairman

Neoh Lay Keong

Independent Non-Executive Directors

Dato' Dr Mohd Husni Bin Ahmad

Chew Kat Nyap

COMPANY SECRETARIES

Wong Wai Foong

[SSM PC NO. 202008001472 (MAICSA 7001358)]

Tan Hsiao Yuen

[SSM PC NO. 201908002342 (MAICSA 7056952)]

AUDITORS

BDO PLT (Firm No: LLP0018825-LCA & AF 0206)

Chartered Accountants

Level 8

BDO PLT @ Menara CenTARa

360 Jalan Tuanku Abdul Rahman

50100 Kuala Lumpur



CORPORATE INFORMATION (CONT'D)

PRINCIPAL BANKERS

Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
AmBank (M) Berhad
Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
United Overseas Bank (Malaysia) Berhad

SOLICITORS

Soo Thien Ming & Nashrah
Level 9, Menara Bangkok Bank
Berjaya Central Park
105, Jalan Ampang
50450 Kuala Lumpur

Sebastian Cha & Co
91B, Jalan 1/12
46000 Petaling Jaya
Selangor Darul Ehsan

CORPORATE ADVISOR

AmInvestment Bank Berhad
22nd Floor, AmBank Group Building
55, Jalan Raja Chulan
50200 Kuala Lumpur

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03-2783 9191
Fax : 03-2783 9111

SHARE REGISTRAR

Bina Management (M) Sdn Bhd
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7784 3922
Fax : 03-7784 1988

HEAD OFFICE

Lot 11, Jalan Perusahaan 1
Kawasan Perusahaan Beranang
43700 Beranang, Semenyih
Selangor Darul Ehsan
Tel : 03-8725 8822
Fax : 03-8725 8828

WEBSITE ADDRESS

www.lbalum.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name: LBALUM
Stock Code: 9326



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT TEAM

PROFILE OF DIRECTORS

Tan Sri Datuk Leow Chong Howa

Executive Chairman

Aged 64

Malaysian

Male

Tan Sri Datuk Leow Chong Howa, aged 64, male, a Malaysian, is the Executive Chairman of LB Aluminium Berhad and was appointed to the Board on 16 April 1985. He is a businessman and prior to assuming his current position, was the Managing Director of the Company since its incorporation.

Tan Sri Datuk Leow is a Non-Independent Non-Executive Director of A-Rank Berhad, and a Council Member of the Federation of Malaysian Manufacturers ("FMM") Advisory Board. He is the Deputy Chairman of Chong Hwa Independent High School Kuala Lumpur and a Vice President on the Board of SRJK (C) Kepong School. Besides, he also sits on the Council of Tung Shin Hospital Kuala Lumpur and is a member of the Chinese Medical as well as Western Medical Management Committees of Tung Shin Hospital.

He is a former Member of the FMM Council and a former Committee Member of FMM Selangor Branch. Tan Sri is the ex-Group President of Malaysia Anxi Association & Yayasan Ann Koai Malaysia, and a former Board of Trustee for Yayasan Lim Yee Hoh.

Mark Wing Kong

Chief Executive Officer

Aged 63

Malaysian

Male

Mark Wing Kong, aged 63, male, a Malaysian, is the Chief Executive Officer of LB Aluminium Berhad. Prior to the appointment to his present position, he was the Executive Director and was appointed to the Board on 15 March 1997. He is a member of the Malaysian Institute of Certified Public Accountants. Mr Mark was with Kassim Chan & Co from 1980 to 1986 and subsequently as Operations Manager with Arab-Malaysian Securities Sdn Berhad from 1986 to 1988. From 1988 to 1997, he was with Arab-Malaysian Merchant Bank Berhad (now known as AmlInvestment Bank Berhad) where he was General Manager, Corporate Finance at time of resignation.

Mr Mark is a Council Member of the Federation of Malaysian Manufacturers.

Yap Chee Woon

Executive Director

Aged 63

Malaysian

Male

Yap Chee Woon, aged 63, male, a Malaysian, is the Executive Director of the Company and was appointed to the Board on 2 May 1997. He is a businessman and prior to his present position was the General Manager of LB Aluminium Berhad. Mr Yap has been with the Company since its incorporation.

Mr Yap is the honorary treasurer of Federation of Malaysian Manufacturers' Aluminium Manufacturers Group Malaysia ("AMGM").

Leow Sok Hoon

Non-Independent Non-Executive Director

Aged 50

Malaysian

Female

Leow Sok Hoon, aged 50, female, a Malaysian, is a Non-Independent Non-Executive Director of LB Aluminium Berhad and was appointed to the Board on 3 August 1993. She holds an Advanced Diploma, Association of Business Executives (ABE), a Diploma in Business Administration, University of Wales and a BA in Business Administration also from the University of Wales. She is a businesswoman.

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT TEAM (CONT'D)

Neoh Lay Keong

Senior Independent Non-Executive Director	Aged 64	Malaysian	Male
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Neoh Lay Keong, aged 64, male, a Malaysian, is the Senior Independent Non-Executive Director of the Company and was appointed to the Board on 25 August 1997. He holds a BEC Diploma in Business Studies, St. Johns College, England and a BA (Hons) in Economics from the University of Manchester, England. Mr Neoh was with RHB Bank Berhad from 1982 to 1990 and is a Dealers' Representative with TA Securities Berhad since 1990.

He is the Chairman of the Nomination Committee and Remuneration Committee and a member of the Audit Committee.

Dato' Dr Mohd Husni Bin Ahmad

Independent Non-Executive Director	Aged 59	Malaysian	Male
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Dato' Dr Mohd Husni Bin Ahmad, aged 59, male, a Malaysian, is an Independent Non-Executive Director of the Company and was appointed to the Board on 31 July 2006. He is presently a Consultant Ear Nose Throat-Head and Neck Surgeon at a private hospital in Kuala Lumpur. Dato' Dr Mohd Husni obtained his Bachelor of Medicine & Bachelor of Surgery as well as a Master of Otorhinolaryngology from the University of Malaya. Upon his graduation, he was attached with University Hospital from 1990 to 1998 initially as a medical officer, lecturer and specialist before leaving for private practice.

He is a member of the Audit Committee, Nomination Committee and Remuneration Committee.

Toh Khiam Huat

Independent Non-Executive Director	Aged 66	Malaysian	Male
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Toh Khiam Huat, aged 66, male, a Malaysian, is an Independent Non-Executive Director of the Company and was appointed to the Board on 31 July 2013. Mr Toh graduated from Swinburne College of Technology, Melbourne, Australia in 1980. He is a Chartered Accountant of the Malaysian Institute of Accountants and an ex-Fellow member of Certified Public Accountants, Australia. He is also a member of the Institute of Internal Auditors Malaysia ("IIAM"). During the period 2003 and 2010, he actively served as a member of the Board of Governors and chairing the various sub-committees of the Institute, including holding the positions of Honorary Secretary and Honorary Treasurer.

Mr Toh started his external auditing career with Deloitte Kassim Chan in 1981. He joined American International Assurance Berhad as a financial accountant in 1985.

Between the period of 1990 and 2011, Mr Toh was involved in internal auditing, compliance and risk management as a Regional Auditor and later as a Regional Head of Internal Audit function (South Asia) for two multi-national insurers (American International Group and Prudential Corporation Asia).

He is currently the Chairman of the Audit Committee.



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT TEAM (CONT'D)

PROFILE OF DIRECTORS (CONT'D)

Chew Kat Nyap**Independent Non-Executive Director**

Aged 68

Malaysian

Male

Chew Kat Nyap, aged 68, male, a Malaysian, is an Independent Non-Executive Director of the Company and was appointed to the Board on 31 July 2013. He is a member of the Nomination Committee and Remuneration Committee.

Mr Chew commenced his career at the corporate secretarial/share registry divisions of two major accounting firms and the SPK Group. He then worked at Arab-Malaysian Merchant Bank Berhad (now known as AmInvestment Bank Berhad) between 1986 and 1996 and last held the position of Senior Manager. He was thereafter seconded to Malaysian Issuing House Sdn Bhd ("MIH"), a company registered under the Capital Markets & Services Act 2007, as General Manager. He was Chief Executive of MIH and Symphony Share Registrars Sdn Bhd, which became part of the Symphony Group until his retirement in 2009 and 2014. In the intervening years he acted as Adviser and Board Member of the two companies until his departure in November 2019. He is presently Director, Advisory at One Capital Market Services Sdn Bhd, a company rendering share registry and other planned capital market services.

Teh Kok Heng**Independent Non-Executive Director**

Aged 61

Malaysian

Male

Teh Kok Heng, aged 61, male, a Malaysian, is an independent Non-Executive Director of LB Aluminium Berhad and was appointed to the Board on 31 July 2013. He holds a Bachelor Degree in Marketing from TAR College.

Mr Teh has 35 years of experience in Design and Construction Management, specializing in Brand Activation business as well as Interior Architecture Fit-out and Advertising. He had been involved in numerous sizable projects, both locally and abroad including some international acclaimed projects such as LIMA Aerospace, DSA Exhibition and Malaysia's biggest Expo Negaraku 2017 project at Dataran Merdeka. He also headed the Milano World Expo 2015 for numerous Countries Pavilions including Malaysia, Brunei, Argentina and Cambodia.

Mr Teh also serves as a board member of SJK (C) Kepong 3, a Chinese primary school in Segambut.

Leow Vinzie**Alternate Director to Tan Sri Datuk Leow Chong Howa**

Aged 36

Malaysian

Female

Leow Vinzie, aged 36, female, a Malaysian, was appointed as Alternate Director to Tan Sri Datuk Leow Chong Howa on 29 June 2021. She is currently the General Manager of LB Aluminium Singapore Pte Ltd, a wholly-owned subsidiary of the Company and was appointed a member of Senior Management Team on 29 June 2021. She graduated from Monash University, Australia with Bachelors of Business in Management and Marketing in 2009. After graduation, she spent 2 years at National Taiwan University acquiring Mandarin as a second language. Prior to joining LB Aluminium Singapore Pte Ltd, she worked at Zuellig Pharma Malaysia in Business Development from 2012 to 2015. Thereafter, she was promoted to managing the regional portfolio from Singapore headquarters, where she was involved in the development of Zuellig Pharma's Pharmaceutical, Over-The-Counter and Medical Devices businesses, securing new clients as well as contracts renewal negotiations from 2015 to 2017.

Ms Leow Vinzie is also a Non-Independent Non-Executive Director of A-Rank Berhad.



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT TEAM (CONT'D)

Other Information

1. Family relationship with Director and/or major shareholder

Ms Leow Vinzie is the daughter of Tan Sri Datuk Leow Chong Howa, the Executive Chairman and major shareholder of LB Aluminium Berhad.

Save as disclosed herein, none of the Directors has any family relationship with any other Director and/or major shareholder of LB Aluminium Berhad.

2. Conflict of interest with the Company

Save for the related party disclosures as disclosed under Note 31 to the Audited Financial Statements of this Annual Report and the Circular to Shareholders dated 29 August 2022 which is despatched together with this Annual Report, none of the Directors has any conflict of interest with LB Aluminium Berhad.

3. Conviction for offences

None of the Directors has been convicted for any offences (other than traffic offences) within the past five (5) years or has been imposed with any public sanctions or penalties by the relevant regulatory bodies during the financial year ended 30 April 2022.

4. Directorship in public companies and listed issuers

Save for the disclosures as stated above, none of the Directors hold any directorship in other public companies and listed issuers.



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT TEAM (CONT'D)

PROFILE OF SENIOR MANAGEMENT TEAM

(Profiles of the Executive Chairman, Chief Executive Officer, Executive Director and General Manager of LB Aluminium Singapore Pte Ltd are listed in pages 14 to 17)

Steven Chia King Ling

General Manager

Aged 57

Malaysian

Male

Steven Chia King Ling, aged 57, male, a Malaysian, is the General Manager of LB Aluminium Berhad. He was appointed a member of the Senior Management Team on 1 June 2016. He holds a post graduate Diploma in Professional Marketing from Chartered Institute of Marketing (CIM – UK). Mr Chia has 29 years of experience in sales, marketing and management and another 5 years' experience in banking and financial management. Prior to joining the Company, he was an Operations Officer with KUMB Finance Berhad which was subsequently acquired by MBF Finance Berhad.

Lim Soo Wai

Senior Operation Manager

Aged 44

Malaysian

Male

Lim Soo Wai, aged 44, male, a Malaysian, is the Senior Operation Manager of LB Aluminium Berhad. He was appointed a member of the Senior Management Team on 25 October 2019. He is also a licensed Registered Electrical Energy Manager (REEM) of the Company. He holds a degree of Bachelor of Engineering from Universiti Sains Malaysia ("USM"). Mr Lim has 21 years of experience in manufacturing of aluminium extrusion and joined the Company since graduation from USM.

Wong Say Young

Head of Finance

Aged 46

Malaysian

Male

Wong Say Young, aged 46, male, a Malaysian, is the Head of Finance of LB Aluminium Berhad. He was appointed a member of the Senior Management Team on 1 October 2020. He holds an Advanced Diploma in Commerce (Financial Accounting) from TAR College. Mr Wong is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a Chartered Accountant of Malaysian Institute of Accountants (MIA). Prior to joining the Company, he was the Group Accountant with DutaLand Berhad.

Other Information

Mr Steven Chia King Ling, Mr Lim Soo Wai and Mr Wong Say Young do not have any family relationship with any Director and/or major shareholder of LB Aluminium Berhad nor have any conflict of interest with the Company. They had no conviction for any offences (other than traffic offences) within the past five (5) years and have not been imposed with any public sanctions or penalties by the relevant regulatory bodies during the financial year ended 30 April 2022.

They also do not hold any directorship in public companies and listed issuers.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of LB Aluminium Berhad (“Company”) recognises that good corporate governance is fundamental to the Board in discharging its fiduciary responsibilities and enhancing high standards of business integrity, business prosperity and corporate accountability with the ultimate objective of realising shareholders’ value.

The Corporate Governance Overview Statement (“CG Statement”) is prepared in accordance to Practice Note 9 of Main Market Listing Requirements (“MMLR”) issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) and Malaysian Code on Corporate Governance (“MCCG”) issued by Securities Commission Malaysia. The CG Statement is to be read together with the Corporate Governance Report (“CG Report”) which is available at the Company’s website at www.lbalum.com as well as Bursa’s website at www.bursamalaysia.com.

The Board is pleased to set out below the manner in which the Company and its subsidiaries (“Group”) have applied each of the three (3) Principles of the MCCG throughout the financial year ended 30 April 2022.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Role of the Board

The role of the Board is to lead and manage the Group in an effective manner including developing strategic directions and objectives in line with its vision and missions, implement plans and supervise the conduct of the Group’s business as a whole. The Board should also provide entrepreneurial leadership to the Group within a framework of prudent and effective controls whilst ensuring risks are consistently assessed and managed.

The Board sets the Group’s strategic plans and policies. It also conducts ongoing review and evaluation of those strategic plans and policies to ensure the Group’s focus is in line with the constantly evolving market conditions and its underlying environmental, social and governance (“ESG”) issues, as well as to identify new businesses and opportunities.

The Board receives regular updates on the conduct of the Group’s business and operations, and evaluate whether its businesses are being properly managed.

The Board is responsible for ensuring the adequacy and integrity of the internal control and management information systems and adopting appropriate measures to mitigate any foreseeable and unexpected risks, including ESG risks and risks of non-compliance with applicable laws, regulations, rules, directives, and guidelines.

Process of the Board

The Board is chaired by the Executive Chairman and the Board meets at least four (4) times a year scheduled in every quarter. If required, additional meetings will be scheduled. The quorum for the Board meeting shall be at least two (2) members present at the meeting.

To assist in the discharge of its stewardship role, the Board has established Board committees, namely, the Audit, Nomination and Remuneration Committees, which operate within approved Terms of Reference. These committees have authority to examine particular issues and report to the Board with their findings and recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board. The Executive Chairman is not a member of the Audit, Nomination and Remuneration Committees to ensure there is check and balance as well as objective review by the Board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

Process of the Board (cont'd)

Board Committees meetings are conducted separately and chaired by the respective Chairman. All deliberations and decisions taken by the Board Committees are documented and approved by the Chairman of the Committees, before reporting and recommending to the Board for deliberations and approval.

Prior to the Board and Board Committees meetings, a formal and structured agenda, as approved by the respective Chairman of the Board and the Board Committees, together with a set of Board and Board Committees papers, are forwarded to all Directors at least five (5) business days prior to the Board and Board Committees meetings, for the Directors to be prepared to deal with matters arising from such meetings and to enable the Board and Board Committees to make decisions. Presentations to the Board and the Board Committees are prepared and delivered in a manner that ensures a clear and adequate understanding of the subject matter.

Qualified and Competent Company Secretary

The Board is supported by qualified, competent and experienced Company Secretaries who facilitate overall compliance with the MMLR of Bursa Securities as well as inform and keep the Board updated on the latest enhancements in corporate governance, changes in the legal regulatory framework, new statutory requirements and best practices.

The Company Secretary organises and attends all Board and Board Committees meetings and ensures meetings are properly convened, follows up on matters arising and ensures accurate and proper records of the proceedings and resolutions passed are maintained accordingly at the registered office of the Company. The Company Secretary is also responsible to maintain the documentation of the Board such as meeting papers and minutes of the Board and its committees to be produced for inspection, if required and to ensure a balanced flow of information is disseminated to the Directors for decisions to be made on an informed basis for the effective discharge of the Board's responsibilities.

All Board members have unrestricted access to the advice and services of the Company Secretary.

Delegation to Management

The responsibility for the operation and administration of the Group is delegated by the Board to the Chief Executive Officer ("CEO") and other Senior Management Personnel within levels of authority specified by the Board from time to time. The Board ensures that this Senior Management Team is appropriately qualified and experienced to discharge its responsibilities and has in place procedures to assess the performance of the team.

The CEO may delegate aspects of his authority and power but remains accountable to the Board for the Group's performance and is required to report regularly to the Board on the conduct and performance of the Group's business units.

Separation of Positions of Executive Chairman ("EC") and CEO

The roles of the EC and CEO of the Company are distinct and separate with individual responsibilities. Each of them has clearly defined duties and authority thus ensuring balance of power and greater capacity for independent decision-making.

The EC is responsible for running the Board and ensures that all Board members receive sufficient and timely relevant information to enable the Directors to participate actively in the Board's decisions. The EC is also responsible to provide leadership, strategic directions and objectives in line with the Group's vision and mission while leading the Board in establishing and implementation of good corporate governance practices within the Group. The CEO is responsible for the day-to-day management of the Group and effective leadership of the Management Team as well as the implementation of the Board's policies and decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

Board Charter

To enhance accountability and establish a proper delineation of roles between its Board and the Management, the Company has formalised and adopted a Board Charter ("Charter").

The Charter sets out five guiding principles of good corporate governance namely ***Fairness, Transparency, Accountability, Responsibility and Sustainability***. It provides guidance for Directors regarding their roles in discharging their duties towards the Company as well as Boardroom activities.

The Charter was last reviewed and approved by the Board on 29 March 2022 and has been uploaded on the Company's website at www.lbalum.com.

Schedule of Matters Reserved for the Board

To enhance accountability, the Board has established a formal schedule of matters specifically reserved for the Board for its deliberation and decision to ensure the direction and control of the Group's business are firmly in its hands. Details of the schedule of matters specifically reserved for the Board are available to the public on the Company's website at www.lbalum.com.

Code of Conduct

The Company has formalised a Code of Conduct which contains policies and procedures relating to the professional conduct and ethics that are applicable to all employees.

The Code of Conduct is uploaded on the Company's website at www.lbalum.com.

Code of Ethics and Code of Conduct for Directors

The Board acknowledges the importance of establishing a healthy corporate culture among the Directors and has formalised in writing a Code of Ethics and Code of Conduct for Directors, which set out the standards of good behavior by underscoring the core ethical values that are vital for their business decisions.

The Code of Ethics and Code of Conduct for Directors are included in the Board Charter which is published at the Company's website at www.lbalum.com.

Whistleblowing Policy

The Board has formalised a Whistleblowing Policy to provide a safe mechanism for whomever to come forward and raise any concerns about the actual or potential fraud or breach of trust involving employee, Management or Directors in the Group. It allows the whistle-blower the opportunity to raise concerns outside the management line. The identity of the whistle-blower will be kept confidential and protection is accorded to the whistle-blower against any form of reprisal or retribution.

The Whistleblowing Policy is published at the Company's website at www.lbalum.com.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance approach against all forms of bribery and corruption. The Board has formalised an Anti-Bribery and Corruption Policy to prevent, detect and address bribery and corruption via establishing a culture of integrity, transparency, and compliance.

The Anti-Bribery and Corruption Policy is published at the Company's website at www.lbalum.com.

Access to Information and Advice

From time to time, whenever the Board requires relevant information updates from any members of the Management, the relevant member is invited to attend meetings of the Board or its Committees to provide the Board with any such relevant information or updates.

All Directors have unrestricted access to information within the Group and to obtain independent professional advice, when necessary, at the Company's expense. Prior to engaging any independent adviser, approval must be obtained from the Executive Chairman and, where applicable, the Executive Chairman may bring up the request for the Board's evaluation on the need for external advice.

Governance of Sustainability

The Board is responsible for the governance of the sustainability risks and opportunities. It provides guidance and oversight to formulate the Group's sustainability strategies to ensure long-term business success. Meanwhile, the CEO is leading the Senior Management Team in implementing the sustainability plans and strategies across the board.

The Board continues to stay abreast with the sustainability issues relevant to the Group and to ensure it communicates the Group's sustainability strategies, priorities, targets, and performance against the targets to all the stakeholders via the Sustainability Statement included in this Annual Report.

II. Board Composition

Existing Board Composition

The Company's Board Charter requires the Board to have a majority of Independent Directors. The Board currently consists of nine (9) Directors; five (5) of whom are Independent Non-Executive Directors. The Board comprises an appropriate balance with sufficiently diverse experience required for the effective stewardship of the Group. The balance of Executive Directors and Non-Executive Directors (including Independent Non-Executive Directors) is such that decisions made are fully discussed and examined after taking into account the long term interest of shareholders, employees, customers and the many communities in which the Group conducts its business. The division of responsibilities between the Executive Directors and the Non-Executive Directors on the Board ensures independence in decision making at Board level.

Independence

The Board has a collective responsibility for the management of the Group. The Independent Non-Executive Directors are committed in upholding business integrity and bringing independent judgement and scrutiny to decisions taken by the Board and providing objective challenges to the Management. The Executive Directors are responsible for making and implementing operational and corporate decisions as well as day-to-day management of the business and operations of the Group. There is a clear division of responsibilities between the executive and non-executive functions to ensure effectiveness of the decision making process of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (cont'd)

Independence (cont'd)

Independent Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealing or other relationship with the Group. This is to ensure that they are capable of exercising judgment objectively whilst acting in the best interest of the Group, its stakeholders and shareholders, including minority shareholders.

The Board is of the view that tenure should not form part of the independence assessment criteria, as it believes that the ability of a Director to serve effectively is dependent upon his caliber, qualifications, experiences and personal qualities, in particular, integrity and objectivity.

Tenure of Independent Directors

Following an assessment by the Nomination Committee ("NC") and the Board, Mr Toh Kham Huat ("Mr Toh"), Mr Chew Kat Nyap ("Mr Chew") and Mr Teh Kok Heng ("Mr Teh"), who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years as at the forthcoming Annual General Meeting ("AGM") of the Company, have been recommended by the Board to continue to act as Independent Directors, subject to shareholders' approval at the AGM.

The Board recommends Mr Toh, Mr Chew and Mr Teh to continue to act as Independent Directors based on the following justifications:

- (i) They had fulfilled the criteria under the definition on Independent Director as stated in the MMLR of Bursa Securities and were therefore able to bring independent and objective judgment to the Board;
- (ii) They have been with the Group for many years and possessed deep understanding of the Group's business operations and have continued to critically and constructively challenge and contribute to the development of effective business strategy and direction of the Company during Board and Board Committees' meetings;
- (iii) Their long tenure with the Company had neither impaired nor compromised their independent judgement. They were free from any business or other relationships which could interfere with their exercise of independent judgement;
- (iv) They provided effective check and balance in the proceeding of the Board and the Board Committees;
- (v) They continued to remain objective and were able to exercise independent judgement in expressing their views and in participating in deliberations and decision making of the Board and Board Committees in the best interest of the Company;
- (vi) They exhibited high commitment and devoted sufficient time and attention to their responsibilities as Independent Directors of the Company; and
- (vii) They had met with the attendance requirements for Board Meetings pursuant to the MMLR of Bursa Securities. This testifies to their dedication in discharging the responsibilities expected of an Independent Director.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (cont'd)

Tenure of Independent Directors (cont'd)

Mr Neoh Lay Keong ("Mr Neoh") and Dato' Dr Mohd Husni Bin Ahmad ("Dato' Dr Mohd Husni"), the Independent Directors who have served the Board for more than twelve (12) years, have indicated to the Company that they will be stepping down as Independent Directors after the conclusion of the forthcoming AGM.

Upon the resignation of Mr Neoh and Dato' Dr Mohd Husni, the Company will not be in compliance with Paragraph 15.09(1) of the MMLR of Bursa Securities and must fill the vacancies within three (3) months from the date of their resignation. The Company will source the replacements soonest possible and make the necessary announcements relating thereto to Bursa Securities.

Boardroom Diversity

The NC is entrusted by the Board to identify and recommend suitable candidates to fill up vacant seats of the Board. The NC shall ensure the Board has the appropriate balance of skills, experience and knowledge.

Before any recommendation is made to the Board, the NC under the guidance of the Company's Fit and Proper Policy and the Terms of Reference of the NC, evaluates a candidate by considering the factors including ethical standards and values, career history, age, gender, ethnicity, professional background, skill and expertise, personal characteristics, integrity, capability and time to discharge duty as a Director and for an Independent Non-Executive Director, whether he/she meets the criteria of an Independent Director as specified by Practice Note 13 of the MMLR of Bursa Securities.

The NC shall at all times continue to ensure a well-balanced Board and to ensure equal opportunity is given and that no candidate is subject to any form of discrimination in terms of age, gender, ethnicity, religion, marital status and appearance in the process of identifying suitable candidates for replacement or new Board member.

In identifying candidates for new directorship of the Company, the NC does not solely rely on recommendations from members of the Board, Management or major shareholders. The NC makes reference to the Company's business associates and professional bodies from time to time.

The Board acknowledges the importance of gender diversity in the Boardroom. However, the Board does not adopt any formal gender diversity policy in the selection of new Board members and does not have specific targets for female Director. The Board continues to evaluate a candidate for new Board member by considering all the factors including ethical standards and values, career history, age, gender, ethnicity, skill and expertise, personal qualities, integrity, educational qualification, capability and time to discharge duty effectively.

During the financial year ended 30 April 2022, the NC reviewed and recommended to the Board for the appointment of Ms Leow Vinzie as the Alternate Director to Tan Sri Datuk Leow Chong Howa on 29 June 2021 following the resignation of Mr Leow Vinken as Alternate Director to Tan Sri Datuk Leow Chong Howa on the same day.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (cont'd)

Re-election of Directors

In accordance with the Company's Constitution (the "Constitution"), all Directors who are appointed by the Board to fill a casual vacancy are subject to election by shareholders of the Company at the first Annual General Meeting ("AGM") after their appointment. The Constitution also provides that one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3) then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election.

For the forthcoming AGM, the following Directors will retire by rotation, and being eligible, offer themselves for re-election:

- Mr Toh Khiam Huat
- Mr Chew Kat Nyap
- Mr Teh Kok Heng

The profile of the above Directors and their respective attendance in Board Meetings are presented in this Annual Report. Meanwhile, the Board's recommendation statement for the re-election of the above Directors is included in the Notice of AGM dated 29 August 2022.

Succession Planning

The Board acknowledges that succession planning is important for the Company's stability and sustainability. The NC is entrusted to assess and recommend suitable candidates to be appointed as Director of the Company to fill up any vacant seat in the Boardroom.

Nomination Committee

The NC of the Company comprises three (3) Independent Non-Executive Directors and is chaired by the Company's Senior Independent Non-Executive Director.

During the financial year ended 30 April 2022, two (2) NC's meetings were held. The details of attendance of each member at the NC meetings held during the financial year are as follows:-

Name of Nomination Committee Members	Number of Nomination Committee Meeting Attended
Neoh Lay Keong (Chairman)	2/2
Dato' Dr Mohd Husni Bin Ahmad	2/2
Chew Kat Nyap	2/2

The NC's Terms of Reference and the Fit and Proper Policy that guide the NC on the appointment and re-election of Directors can be viewed at the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference and the Fit and Proper Policy on 29 March 2022.

The activities of the NC during the financial year are disclosed in the CG Report.


CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)
PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)
II. Board Composition (cont'd)
Annual Assessment of Effectiveness of the Board and Board Committees, Performance of Individual Directors and Independent Directors

The Board has through the NC, assessed the effectiveness of the Board as a whole and each Board committees and performance of Individual Directors and opined that the Board, Board committees and the individual Directors had discharged their duties and roles effectively and that the current Board has the right blend of knowledge and experience to optimise the Company's performance and strategy.

In ensuring that the independent judgments by the Company's Non-Executive Directors are not compromised, the NC performs yearly assessment on the independence of the Independent Directors. The assessment is conducted by making reference to Practice Note 13 of the MMLR of Bursa Securities.

Based on the assessment conducted for financial year ended 30 April 2022, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to continue to exercise independent judgment.

Board Meetings

It is the policy of the Company for Directors to devote sufficient time and effort in carrying out their responsibilities. The Board is required to meet every three (3) months in regular Board of Directors' meetings during a financial year to approve the quarterly results on a pre-scheduled basis. Additional meetings are convened when urgent and important decisions need to be taken between scheduled meetings.

The Board of Directors had met four (4) times during the financial year under review and the details of the Directors' attendance are as follows:

Name of Directors	Number of Meetings Attended
Tan Sri Datuk Leow Chong Howa (Chairman)	4/4
Mark Wing Kong	4/4
Yap Chee Woon	4/4
Leow Sok Hoon	4/4
Neoh Lay Keong	4/4
Dato' Dr Mohd Husni Bin Ahmad	3/4
Toh Khiam Huat	4/4
Chew Kat Nyap	4/4
Teh Kok Heng	4/4

Number of Directorships in other Companies

All Directors are expected to notify the Board of their acceptance of any new directorship in other listed issuers.

Directors of the Company do not hold more than five (5) directorships in listed issuers as stipulated in the MMLR.

The listing of directorships held by Directors is disclosed by the respective Directors to the Board to ensure compliance to the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)
PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)
II. Board Composition (cont'd)
Directors' Training

The Board has through the NC assessed the training needs of each Director on an annual basis by determining areas that would strengthen their contribution to the Board. From the assessment, the NC is satisfied that the Directors have attended adequate trainings to enable them to discharge their duties.

All Directors have attended and successfully completed the Mandatory Accreditation Program prescribed by Bursa Securities.

The Directors have committed to participate in relevant training programs to keep abreast with the latest developments in the business environment, particularly in sustainability risks and opportunities, corporate governance, and regulatory changes, so that they can effectively discharge their duties as Directors.

For the financial year ended 30 April 2022, the courses attended by the Directors include:

Name of Directors	Course / Seminar attended
Tan Sri Datuk Leow Chong Hwa	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
Mark Wing Kong	(i) Maybank Global Market Economic Outlook 2022 – Pandemicrisis to Endermiconomics organised by Maybank
Yap Chee Woon	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) Maybank Global Market Economic Outlook 2022 – Pandemicrisis to Endermiconomics organised by Maybank
Leow Sok Hoon	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
Neoh Lay Keong	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) SC's Audit Oversight Board Conversation with Audit Committees organised by Securities Commission Malaysia
Dato' Dr Mohd Husni Bin Ahmad	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) SC's Audit Oversight Board Conversation with Audit Committees organised by Securities Commission Malaysia
Toh Khiam Huat	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) SC's Audit Oversight Board Conversation with Audit Committees organised by Securities Commission Malaysia
Chew Kat Nyap	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) Malaysia's Economic and Stock Market Outlook organised by Capital Dynamics
Teh Kok Heng	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
Leow Vinzie	(i) 2022 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd (ii) Maybank Global Market Economic Outlook 2022 – Pandemicrisis to Endermiconomics organised by Maybank

The Company Secretary regularly updates the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and briefs the Board quarterly on these updates, where applicable, at Board meetings. The External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards and International Accounting Standards that would affect the Group's financial statements during the financial year under review. The Directors will continue to undergo relevant training programs to further enhance their skills and knowledge in the discharge of their stewardship role.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration

Remuneration Committee

The Remuneration Committee ("RC") comprises three (3) Independent Non-Executive Directors and is entrusted by the Board to recommend the remuneration framework for Directors as well as the remuneration packages of Executive Directors and Senior Management to the Board. The policy practiced on Directors and Senior Management's remuneration by the RC is to provide the remuneration packages necessary to attract, retain and motivate Directors and Senior Management of the quality required to manage the business as well as the sustainability risks and opportunities of the Company and to align the interest of the Directors and Senior Management with those of the stakeholders.

During the financial year ended 30 April 2022, two (2) RC's meetings were held to review and recommend to the Board on the remuneration of the Directors and Senior Management. The details of attendance of each member at the RC meetings held during the financial year are as follows:-

Name of Remuneration Committee Members	Number of Remuneration Committee Meeting Attended
Neoh Lay Keong (Chairman)	2/2
Dato' Dr Mohd Husni Bin Ahmad	2/2
Chew Kat Nyap	2/2

Terms of Reference

The details of the Terms of Reference of the RC are available at the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2022.

Directors and Senior Management's Remuneration

The remuneration package for Directors and Senior Management comprises the following elements:-

- **Directors' Fee and Meeting Allowance**

The Directors' fee payable to each of the Directors is determined by the Board. All Directors are paid meeting allowances as determined by the Board as reimbursement for expenses incurred for attending the Board and Audit Committee meetings.

- **Basic Salaries and Bonuses**

The basic salaries and bonuses for the Executive Directors ("ED") are recommended by the RC to the Board for approval, while the CEO and ED determine the basic salaries and bonuses for the Senior Management other than Executive Directors.

Bonus is a performance-based payment linked to the corporate performance and individual performance of the ED and Senior Management.

- **Benefits-in-kind**

Customary benefits such as motor vehicle, club membership, mobile phone allowance are made available to the ED and Senior Management in accordance with the policies of the Group.

The details of the remuneration of the Company's Directors for the financial year ended 30 April 2022 are disclosed on a named basis in the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)
PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT
I. Audit Committee
Audit Committee Composition

The Audit Committee ("AC") comprises three (3) Independent Non-Executive Directors.

The Chairman of the AC is not the Chairman of the Board.

All the members of the AC are financially literate, competent, and can understand the financial reporting process. Collectively they possess a wide range of skills and expertise to discharge their duties.

Audit Committee Meetings

The AC meets not less than four (4) times a year and is governed by clearly defined Terms of Reference.

The details of attendance of each member at the AC meetings held during the financial year are as follows:-

Name of Audit Committee Members	Number of Audit Committee Meeting Attended
Toh Khiam Huat (Chairman)	4/4
Neoh Lay Keong	4/4
Dato' Dr Mohd Husni Bin Ahmad	3/4

Yearly Assessment on Suitability and Independence of External Auditors

The AC performs a yearly assessment on the suitability, objectivity and independence of the External Auditors to safeguard the quality and reliability of audited financial statements.

The AC is satisfied with the performance and objectivity of the Company's External Auditors, BDO PLT, for the audit engagement throughout the financial year ended 30 April 2022 before recommending to the Board for the re-appointment of BDO PLT as External Auditors for the financial year ending 30 April 2023.

Related Party Transaction

An internal compliance framework exists to ensure that the Group meets its obligations relating to related party transactions under the MMLR. The Board, through the AC, reviews all material related party transactions involved. A Director who has an interest in a transaction must abstain from deliberation and voting on the relevant resolution in respect of such transaction at the Board and at any general meeting convened to consider such matter.

The Circular to Shareholders dated 29 August 2022 as well as the notes to the financial statements herein provide further details on these related party transactions.

Terms of Reference

The details of the Terms of Reference of the AC are available at the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2022.

Summary of Work Conducted

The summary of work conducted by the AC are disclosed in the Audit Committee Report of this Annual Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. Risk Management and Internal Control Framework

Risk Management Framework

The Board has formalised a risk management framework to safeguard the interest, and meet the expectations of its shareholders, employees, customers, other stakeholders and the many communities in which the Group conducts its business. This involves:

- Enhancing strategic competitiveness and operational efficiency that increases long term shareholders' value;
- Minimising unexpected impact to earnings and returns to shareholders;
- Safeguarding valuable assets and resources;
- Balancing expectations of various stakeholders; and
- Meeting existing regulatory requirements on risk management.

The Board requires the Group to maintain a rigorous risk management framework for identifying, evaluating, monitoring and managing the risks taken to achieve the Group's business objectives.

Risk Management Committee

The Board has established the Risk Management Committee, headed by the CEO and assisted by the Head of Finance and other Senior Management to lead the implementation of the Group's Risk Management Policy. The Risk Management Committee reports to the AC on its findings and the AC will report to the Board accordingly.

The Statement of Risk Management and Internal Control included in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

Internal Audit Function

The AC is responsible to ensure that the Group's internal audit function is operating effectively and independently.

An independent Internal Audit function was set up to assist and report directly to the AC in respect of the adequacy of the Group's internal control and risk management systems from the perspectives of governance, risks and controls. A summary of activities conducted by the Internal Audit function in respect of the financial year under review was set out in the Audit Committee Report of this Annual Report.

The cost incurred for the internal audit function in respect of the financial year was RM182,669.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Engagement with Stakeholders

Communication Policy

The Board recognizes the importance of maintaining an effective communication channel between the Board, shareholders and other stakeholders for timely dissemination of information. To facilitate this process, the Board has formalised a Corporate Disclosure Policy with regards to the handling and disclosing of material information to the public.

Besides the direct communication and interaction with shareholders at the Company's general meetings, the Group has an official website at www.lbalum.com where useful information including corporate information, products and facilities, financial result and announcements are uploaded for easy access by the public. Shareholders or potential investor can also send their feedback or inquiries to the Company via the website. The Group's website is continuously updated to provide timely and accurate information to the users.

The notice of general meetings, proxy form, Annual Report, Circulars to shareholders and minutes of the general meetings are also published on the Company's website.

Shareholders may also contact the Company's Executive Secretary, Ms Irene Leong, to address any concern which a shareholder may have and she can be contacted via telephone, facsimile or electronic mail as follows:-

Tel. No. 03-2163 3688

Fax No. 03-2163 2122

e-mail: irene@lbalum.com.my

Corporate Disclosure Policy

The Board has outlined the Company's approach towards the determination and dissemination of material information, the circumstances under which the confidentiality of information will be maintained, preventing abuse of undisclosed material information and provides guidelines for achieving consistent disclosure practices.

The Corporate Disclosure Policy ("Policy") applies to the conduct of all Directors and employees of the Company with regards to handling and disclosing material information.

The Policy covers the procedures for the Company to communicate the following information to the public:

- (a) Documents filed with the regulators, written statements made in the Company's annual and quarterly reports, press releases, letters, circulars to shareholders, e-mail communications and information on the Company's website; and
- (b) Oral statements made in group and individual meetings, interviews and press conferences and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, advisors and media).

The Policy does not apply to communication made in the ordinary course of business not involving material information.

The Policy is available at the Company's website at www.lbalum.com.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

II. Conduct of General Meetings

Notice of General Meetings

The notice and meeting documents of the EGM held on 12 August 2021 and the AGM held on 28 October 2021 were made available to the Company shareholders at least twenty-eight (28) days before the meetings. The Company also published the notices of the EGM and AGM in a national newspaper. The notices included explanatory statements for the proposed resolutions to facilitate a better understanding and evaluation of issues by the shareholders.

The Company encourages its shareholders to participate in the forthcoming AGM on 29 September 2022.

Attendance at General Meetings

The general meeting is a useful platform for shareholders to participate and communicate with the Board and encourages shareholders to engage in any discussion.

During the Financial Year 2022, the Company conducted fully virtual EGM and AGM using remote participation and voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd. All the Board members attended the EGM and AGM, and the Board responded to the pre-meeting and live questions from the shareholders. The minutes of the meetings were uploaded to the Company's website at www.lbalum.com within 30 business days from the date of the meetings.

Voting at Meetings

The Company appointed a poll administrator and a scrutineer for the poll voting process of the EGM and AGM. Following the MMLR, the Board put all resolutions to vote by poll at the meetings and announced the polling results to Bursa Securities on the same day.

III. Statement on Directors' Responsibility

The Directors are required, pursuant to Section 251(2) of the Companies Act, 2016 (the "Act"), to draw up financial statements for each financial year that gives a true and fair view of the state of affairs of the Company and of the Group as at the end of the accounting period and of their results and cash flow for the year then ended. In addition, the Directors have the general responsibility for taking such steps as they are reasonably open to them to safeguard the assets of the Group and to prevent fraud and other irregularities. In preparing the financial statements for the year ended 30 April 2022, the Directors have:-

- (i) adopted the appropriate accounting policies, which are consistently applied;
- (ii) made reasonable and prudent judgments and estimates; and
- (iii) ensured that the applicable approved Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Act are complied with.

The Statement of Directors pursuant to the Act is set out in the Annual Report.



ADDITIONAL COMPLIANCE INFORMATION

AS AT 30 APRIL 2022

1. AUDIT FEES AND NON-AUDIT FEES

The amount of non-audit fees paid or payable to firms or corporations affiliated to the external auditors for the financial year ended 30 April 2022 amounted to RM107,650 for the Company and RM181,336 for the Group (2021: RM15,380 for the Company and RM57,347 for the Group). The amounts of audit fees paid or payable to the external auditors of the Company and the Group have been disclosed under Note 26 to the Audited Financial Statements of this Annual Report.

2. MATERIAL CONTRACTS

No material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company and/or its subsidiaries which involved Directors' and/or major shareholders' interests, either still subsisting at the end of the financial year ended 30 April 2022 or, if not then subsisting, entered into since the end of the previous financial year.

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The related party transactions are set out in the notes to the financial statements in which the transactions were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

The recurrent related party transactions of a revenue or trading nature of the Group conducted pursuant to the shareholders' mandate during the financial year ended 30 April 2022 are as follows:-

Company/ Subsidiaries Involved	Transacting Parties	Nature of Recurrent Transactions	Aggregate Value (RM'000)	Interested Related Party and Nature of Relations
LB Aluminium Berhad ("LBA")	Formosa Shyen Horng Metal Sdn Bhd ("FSHM")	Purchase and tolling services of aluminium billets from FSHM by LBA	144,393	1. Tan Sri Datuk Leow Chong Howa ("Tan Sri Datuk Leow"), a Director and major shareholder of LBA, is a Director and major shareholder of A-Rank Berhad, the holding company of FSHM.
LB Aluminium (Sarawak) Sdn Bhd ("LBAS")	FSHM	Purchase and tolling services of aluminium billets from FSHM by LBAS	19,183	2. Leow Vinzie, the daughter of Tan Sri Datuk Leow and the Alternate Director to Tan Sri Datuk Leow in LBA, is a Director of A-Rank Berhad. 3. Leow Vinken, a son of Tan Sri Datuk Leow, is a Director of A-Rank Berhad.

4. UTILISATION OF PROCEEDS

There were no proceeds raised by the Company from any corporate proposal during the financial year ended 30 April 2022.

5. EMPLOYEE SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the financial year ended 30 April 2022.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board of Directors (“Board”) to maintain an effective risk management and internal control framework to safeguard shareholders’ investments and the Group’s assets. Pursuant to Paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa”), the Board is pleased to present herewith the Statement on Risk Management and Internal Control (“SORMIC”), prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“SORMIC Guidelines”) endorsed by Bursa, which outlines the nature and state of risk management and internal control of the Company and its subsidiaries (“the Group”) for the financial year under review.

BOARD RESPONSIBILITY

The Board recognises the importance of a sound system of internal control and risk management practices are essential in ensuring good corporate governance. The Board acknowledges its overall responsibility of ensuring the adequacy, effectiveness and integrity of the risk management and internal control system to safeguard shareholders’ investments and the Group’s assets. Such a system is designed to manage an acceptable risk profile rather than eliminate the risk of failure to achieve the business objectives, as such, can only provide reasonable but not absolute assurance against material misstatement or loss, fraud, irregularities and errors in judgement or unpredictable risks, as well as uncontrollable events such as natural disasters or pandemic.

Whilst the Board assumes responsibility for the Group’s internal controls and risk management, the Management holds the key role in the implementation of the internal controls and risk management system. Management is accountable for regularly assessing that the systems continue to operate efficiently and effectively.

In pursuing its responsibility, the Board confirms that there is continuous effort to enhance the overall risk management process of identifying, evaluating, managing and monitoring the significant risks by pursuing various initiatives and to enhance the tools and processes for effective management of risks faced by the Group in its achievement of objectives and strategies.

The Board, assisted by the Audit Committee and Risk Management Committee (“RMC”) will continue to assess the adequacy and effectiveness of the risk management and internal control system including financial, operational, information technology and compliance controls as well as the governance process.

RISK MANAGEMENT POLICY

The Board has, through its RMC, established a risk management and internal control framework that was implemented throughout the Group, which is firmly embedded in the Group’s processes and structure.

The Board’s primary objective and direction in managing the Group’s risks are focused on the achievement of the Group’s business objectives. Overall, the Board balances the need for risk-taking and the requirement for sustainable business growth in view of maximizing long-term shareholders’ value growth. The Risk Management Policy has been in place to identify key risks, the likelihood of those risks occurring as well as any strategy to control or manage those risks affecting the business. Ongoing overall risk management process also includes budgetary controls and regular meetings among senior management to assess:

- Performances of branches and other operating subsidiaries;
- Impact of changes in competition and operating environment; and
- Risks and opportunities in the business and the ensuing action plans.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT POLICY (CONT'D)

The Risk Management Policy shall be to safeguard the interest and meet the expectations of its shareholders, employees, customers and the many communities as well as environment in which the Group conducts its business. This involves:

- Enhancing strategic competitiveness and operational efficiency that increases long term shareholders' value;
- Minimising unexpected impact to earning and returns to shareholders;
- Safeguarding valuable assets and resources;
- Balancing expectations of various stakeholders; and
- Meeting existing regulatory requirements on risk management.

MONITORING AND REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS

The Board is committed to maintain a strong control structure and environment for the proper conduct of the Group's business operation. The key elements are:

Control Environment

- Clear Group vision, mission, corporate philosophy and strategic direction which are communicated to employees at all levels.
- The Board has established an organization structure with clearly defined lines of responsibilities, authority limits, and accountability aligned to business and operations requirements which support the maintenance of a strong control environment.
- The Board acknowledges the importance of promoting good business conduct and maintaining a healthy corporate culture among the Directors and has formalized in writing a Code of Ethics and a Code of Conduct for Directors, which set out the standards of good behavior by underscoring the core ethical values that are vital for their business decisions. The Code of Ethics and Code of Conduct for Directors are included in the Board Charter which is published at the Company's website at www.lbalum.com.
- The Group demonstrates commitment to integrity and ethical values. An Employee Policy Manual articulates expected behaviours of all employees to foster long-lasting, harmonious working relationship among the employees, including setting out standards Code of Conduct to be adhered by the employees in performing their duties and in dealing with internal and external stakeholders. The manual is regularly reviewed to incorporate the changes that will enhance working efficiency, integrity and ethical values. The Code of Conduct is also uploaded on the Company's website at www.lbalum.com.
- Emphasis is being placed on enhancing the quality and ability of employees through continuous training and development base on annual training plan as well as structured training program. Employees' competencies are assessed through the performance evaluation systems, potential areas for further development and training are highlighted by the heads of departments to expand the level of competencies of the employees.
- There is a strong inherent corporate culture wherein any and all exceptional matters that require Senior Management's attention and/or decision were communicated and/or reported accordingly.
- In compliance with Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Amendment Act 2018, the Group has established the Anti-Bribery and Corruption ("ABC") Policy as part of Anti-Bribery Management System of the Group to help prevent, detect and address bribery and corruption, by establishing a culture of integrity, transparency and compliance.

The ABC Policy and its contents have been communicated to all employees to raise awareness of the Group's stand on bribery and corruption as well as the ABC Policy via Company's website emails, intranet, external training and in-house training.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

MONITORING AND REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS (CONT'D)

Control Environment (cont'd)

The Board, employees, vendors, suppliers and any third parties that have business dealings are required to sign off a written declaration as part of their commitment towards zero tolerance to bribery and corruption activities, and/or confirming their compliance with the Group's Code of Ethics and Conduct to promote ethical conduct to disclose any confirmed or potential conflict of interest.

The ABC Policy is published in the Company's website at www.lbalum.com.

- Accounting Policies approved by the Board are applicable to the entire Group. Revisions and additions are made when necessary.

Control Activities

- Limits of authority sets out clear segregation of duties based on the approved levels according to the role and function for revenue and capital expenditure, as well as credit limits and credit terms given to customers to facilitate timely, effective, quality decision making and to keep potential exposure under control. The limits are reviewed and updated regularly to reflect the current business environment, operational and structural changes of the Group.
- Standard Operating Procedures ("SOP") manual sets out the policies and procedures for day to day operations to be carried out, periodic reviews are performed to ensure that the SOP remains current, relevant and aligned with evolving business environment and operational needs.
- As an integral part of the Group's aim to achieve cyber resilience, the Group has upgraded its firewall to guard the network to proactively build response, to keep computer and the data on it safe and secure, help protect the network by filtering traffic and blocking outsiders from gaining unauthorized access to the private data on the computer and prohibit their actions at predefined boundary levels, and this process is governed by a set of predefined security guidelines.
- Constantly exploring the use of renewable energy to reduce production cost as well as to minimise the energy-related environmental damage caused by fossil fuels. The initiative to transition towards solar energy will reduce the Group dependency on fossil fuels and at the same time increase the Group's commitment towards environmentally friendly renewable energy sources.
- Health and Safety Policies and Procedures are developed to assist in maintaining a safe working environment for all employees, under the purview of an Occupational Safety and Health Committee.
- Regular visits to operating units within the Group by Executive Directors and key members of the Management.
- The Group is ISO 9001-2015 certified. The effectiveness of the system of internal control is also reviewed through the ISO 9001 Quality Management Systems certification be evidenced by the range of controls and processes that have already been established, to create efficiencies by aligning and streamlining processes throughout the organization.
- A COVID-19 committee is formed to continuously monitor the compliance of the SOP and latest development of the pandemic. The Group has complied with the SOP set by the Government. Preventive measures implemented including but not limited to regular briefing on the SOP and latest development of the pandemic, providing personal protection equipment to the employees, sanitising workplace regularly especially common areas, create hygiene awareness, promote vaccination and conducting COVID-19 testing for all the employees.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

MONITORING AND REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS (CONT'D)

Information and Communication Processes

- Implementation of Human Resources Management System is to assist users in managing its human resource optimally with greater effectiveness and efficiency. It covers the entire payroll function, ranging from capturing employees' information, calculation of salaries and pay, documentation and acting as an analytical tool for Human Resource planning and reports submission to authorities.
- In the rapidly changing world of both computer technology and consumer expectations, operating systems evolve rapidly and system upgrades are critical to business performance. Hence, the Group had been granted approval by the Board and is in the midst of upgrading its Enterprise Resource Planning ("ERP") system as well as IT hardware to enhance business process, improve efficiency with accuracy through elimination of manual, human error and redundant work, better sharing of common information across the Group, improve productivity, stronger security and reduce operating costs.
- The Group has implemented a Whistle Blowing Policy that provides an anonymous, secure and confidential communication channel for any parties to raise genuine concerns without fear of reprisal to alert or disclose information which he reasonably believes shows malpractice or any wrongdoings within the Group, in order to develop and maintain high standard of corporate governance and business integrity. The Whistle Blowing Policy is made available on the Company's website at www.lbalum.com.
- A Personnel Data Protection Policy is available on the Company's website for the management, control and protection of confidential information used by the Group to avoid leakage and improper use of such information.
- The Group aspires to the highest standards of integrity and honesty in the everyday conduct of its business, the ABC Policy is in place to assert the Group's stand on giving and accepting gifts and hospitality in relation to suppliers and customers, to avoid conflict of interest or the appearance of conflict of interest in ongoing or potential business dealings between the Group and external parties.
- The Group has established processes and procedures to ensure that quarterly and annual audited financial statements which cover the Group's performance, are submitted to Bursa for release to shareholders and stakeholders on a timely basis. All quarterly financial results are reviewed and approved by the Board prior to announcement. The Group's Annual Reports which contain the annual audited financial statements, together with the auditors' and Directors' reports are issued to the Group's shareholders within the stipulated time prescribed under the Main Market Listing Requirements ("MMLR") of Bursa.

Monitoring

- The Group also adopts a budgeting process where operating units prepare budgets for the following year, discussions are held between the Management and the heads of operating units to ensure the budgets are attainable and realistic. A management reporting system is in place to carry out monthly monitoring and review of financial results and forecasts against budgets for all business units, with remedial action taken immediately for major variances and followed up, where necessary.
- The Group has implemented the Recurrent Related Party Transactions ("RRPT") Procedures to ensure proper identification and reporting of RRPT, and to ensure that the RRPT are conducted on arms-length basis, on prices and terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Group.
- Monthly Management Meetings are held regularly to identify, discuss and resolve strategic, operational, financial and key management issues.
- Other scheduled meetings held monthly or bimonthly include Credit Control Meeting to evaluate and approve credit terms and limits for customers; Sales and Marketing Meeting to formulate sales strategies, update market information as well as to review collection; and Production Meeting to resolve operational issues.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

MONITORING AND REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS (CONT'D)

Monitoring (cont'd)

- In line with the Management's desire to enhance the performance of the Group, the Management has implemented a performance evaluation system based on Key Performance Indicators ("KPIs") to assess and reward executives and above of the Group. Top down target setting process with target cascading from the Executive Chairman has improved strategic focus and direction.
- The Audit Committee reviews the quarterly financial results and evaluates the explanations and reasons for significant unusual variances noted thereof.
- The Audit Committee assists the Board in assessing the effectiveness of internal controls by reviewing reports from the internal and external auditors.

Risk Management

- The Board had established a RMC, headed by the Chief Executive Officer ("CEO") which comprises the Executive Director, Head of Finance ("HOF") and other Senior Management to identify, manage, update and assess the Group's risks, and thereafter to develop, implement and monitor appropriate risk management processes and internal controls to address and mitigate such risks.
- The Group's Risk Management Framework ("RMF") outlined in the Risk Management Policy, which prescribes a structured and integrated approach in managing key business risks with the aim of safeguarding the shareholders' interests and the Group's assets. The RMF clearly defines the authority and accountability in implementing the risk management process and internal control system.
- Risk management has been part of the Management's day-to-day operations and has in place a Risk Register where key risk profiles are established. The Risk Register is updated periodically wherein each fundamental risk has a risk owner who is responsible for ongoing monitoring and review of the risks and related controls and that action plans are developed and implemented to manage these risks and will report to the RMC on half yearly basis, and the same is presented at the Audit Committee meetings.
- Identify and review the risk elements that impact on the financial performances of the Group and establish mechanism to manage risk including and not limiting to volatility of foreign exchange rates, escalating cost of operations and competitive pricing of products.
- Adequate and relevance of insurance coverage is in place to ensure the Group's assets are sufficiently covered against any mishap that may result in material losses and business interruption to the Group, which is reviewed annually.
- The RMC meets twice a year to review the execution of the risk management framework as well as to deliberate on the top business risk and the actions to be taken to mitigate the risk identified and present report to Audit Committee in a timely manner.
- Assessment of RMC's own performance with the signing off of the Risk Committee Performance Evaluation – Self-Assessment Questionnaire on an annual basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION

The internal audit department on quarterly basis reports directly to the Audit Committee. Internal audit plans are reviewed and approved by the Audit Committee and the plans include independent appraisal on the compliance, adequacy and effectiveness of the Group's internal controls and to assess and monitor the effectiveness and implementation of the Groups' Risk Management Policies. Included in the reports are risk measures of issues identified and recommended corrections for implementation by the Management. Follow-up reviews on previous audit recommendations are carried out to ensure compliance and appropriate actions have been implemented to address weaknesses highlighted to ensure that they are dealt with adequately.

ADEQUACY AND EFFECTIVENESS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Based on the framework established and the reviews conducted, the Board is of the opinion, with the concurrence of the Risk Management Committee, that there are sound and sufficient controls in place within the Group addressing material financial, operational, regulatory compliance and information technology risks to meet the business objectives and strategies of the Group in its current business environment.

During the financial year under review, a number of internal control weaknesses were identified, all of which have been or are being addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report were noted. The Board confirms that its system of risk management and internal control was operational throughout the financial year and up to the date of approval of this statement for inclusion in the Annual Report.

Notwithstanding the fact that the Group's system of risk management and internal controls do not eliminate the possibility of collusion or deliberate circumvention of procedures by employees or fraud or other unforeseen circumstances, the Board has received assurances from the CEO and the HOF that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management model adopted by the Group. The Management will continue to review and take measures to ensure the ongoing effectiveness and adequacy of the system on risk management and internal controls.

The Board is satisfied that during the financial year under review, there is a process in identifying, evaluating, managing and monitoring the risks of the business to mitigate any significant risks faced by the Group so as to safeguard shareholders' investments and the Group's assets.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

As required by Paragraph 15.23 of Bursa, the external auditors has reviewed this SORMIC in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3"), for inclusion in the Annual Report for the financial year ended 30 April 2022 and reported that nothing has come to their attention that causes them to believe that the SORMIC included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the SORMIC Guidelines, nor is the SORMIC factually inaccurate.

This SORMIC is made in accordance with the resolution of the Board dated 15 August 2022.



SUSTAINABILITY STATEMENT

The preservation of the eco-system and the natural environment for the future generation while providing solutions for our customers has been an integral part of our corporate culture. We believe that by consistently following the sustainable development path will enable us to achieve our vision of becoming the *“Preferred Global Partner in Aluminium”*.

ABOUT THIS REPORT

Our Sustainability Statement is designed to reflect the significant Economic, Environmental and Social (“EES”) impacts of the Group’s operations to facilitate decision making of stakeholders and contribute to the development of a sustainable aluminium industry.

Scope and Boundary

This report covers all subsidiaries of the Group which the Group has direct control.

Reporting Period

This report accounts our EES activities from 1 May 2021 to 30 April 2022. Historical information collected from previous years is included to provide a basis of comparison.

Report Guidelines

This report is prepared based on the following guidelines:-

- Principal Guideline: Bursa Malaysia Sustainability Reporting Guide
- Reference Global Reporting Initiatives (“GRI”) Standards

Reporting Cycle

This report is prepared annually coinciding with our financial year ended 30 April 2022 (“FY2022”).

Feedback and Comments

Please direct your feedback and comments to: irene@lbalum.com.my

MATERIALITY

We have used a materiality determination and prioritisation process to identify the most relevant topics to address in this report. To assess materiality, we considered our overall Mission and Vision, competitive strategy, and the interests of our stakeholders. Materiality analysis allows us to identify key issues to help guide our actions to achieve sustainable improvements.

MATERIALITY PROCESS



Material Indicators

- Determined and prioritised EES sustainability indicators that impact our stakeholders relevant to the Group’s business and operations.



Stakeholder Influence

- Created and prioritised a list of relevant stakeholder groups, who can provide a meaningful perspective on the Group’s sustainability strategy.
- Requested the stakeholders to rate the importance and impact of each indicator we identified.



Review, Validation and Approval

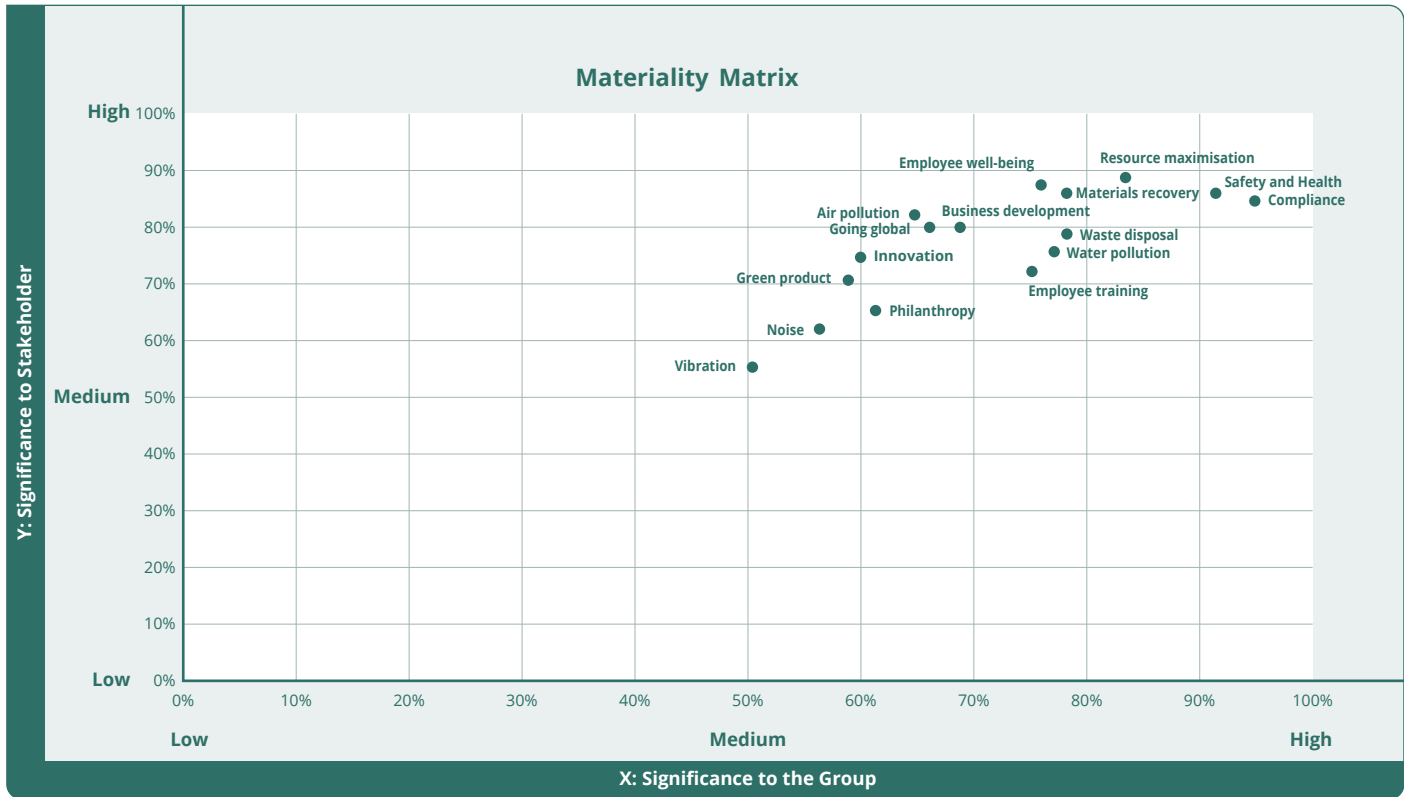
- The result of the matrix was reviewed and validated by the Management to ensure it is in line with the Group’s strategy.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY MATRIX

The outcome of our materiality assessment in terms of the significance of the EES impacts to the organisation or their influence on stakeholder assessments and decisions are illustrated below:

The Group has identified sixteen (16) material issues as shown below. The X-axis represents EES issues relevant to the Group and the Y-axis denotes the issues material to our stakeholders. The issues on the top right of the matrix are considered of highest significance to our Group and stakeholders.



The four (4) sustainable aspects that we determined to be the most important to our stakeholders and the Group are *Resource Maximisation, Safety and Health, Compliance and Material Recovery*. Resource Maximisation, Material Recovery and Compliance are intertwined and significant to protect the environment and reduce virgin material extraction. The Health and Safety of our employees are directly connected to our operation, and thus, we keep close risk management in these areas.

The least significant aspects are *Vibration, Noise and Philanthropy*. Our factory does not create noise and vibration that could adversely affect the community where we operate. Also, our factory location is away from residential community and located at a dedicated industrial area.









SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a collaborative process that is critical to the success of the Group.

We practice a year-round engagement with stakeholders to offer timely responses that address and anticipate their concerns.

The table below shows the list of stakeholders with whom we engage and who we believe are impacted the most by our business activities. The table also catalogues their concerns and our responses to resolve such issues:

Stakeholder Group	Concerns	Responses
 SHAREHOLDERS	<p>The Group's financial performance</p> <hr/> <p>Communication with shareholders</p>	<ul style="list-style-type: none"> The Group will continue innovating and concentrate on improving its operational performance to ensure that the Group's margins are maintained The Group will keep on identifying new business opportunities to sustain future business growth <hr/> <ul style="list-style-type: none"> Shareholders are encouraged to participate in the Company's General Meeting, where they can engage with the Management Timely disclosure of important information on the Company's website and immediate announcement made to Bursa Malaysia Securities Berhad
 EMPLOYEES	<p>Occupational safety and health</p> <hr/> <p>Career development</p>	<ul style="list-style-type: none"> Establishment of an Occupational Safety and Health Committee 24-hour security surveillance Provision of safety gears for the protection of employees against serious injuries Consistent promotion and constant updating of the awareness for safety precautions and health issues <hr/> <ul style="list-style-type: none"> Annual training plan Employee participation in local and international trade fairs and exhibitions Apprenticeship opportunities for eligible employees under HRDF's Apprenticeship Scheme
 SUPPLIERS	<p>Long-term business relationship</p>	<ul style="list-style-type: none"> Conducting site visits at the suppliers' premises Maintaining two-way communication with suppliers Fair and ethical procurement process
 COMMUNITY	<p>Community development</p>	<ul style="list-style-type: none"> Donations to schools, charity foundations and welfare bodies Distribution of gifts to the needy during festivals
 CUSTOMERS	<p>Quality of products, after-sales service and on-time delivery</p>	<ul style="list-style-type: none"> Stringent quality control ISO 9001 certification Adopting the "Do it right the first time" motto to achieve operational excellence Annual customer surveys Continuing to introduce state-of-the-art technologies and products
 GOVERNMENT	<p>Statutory compliance</p>	<ul style="list-style-type: none"> Conducting relevant trainings for employees Strict monitoring to ensure compliance with relevant rules and regulations

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY GOVERNANCE

Our key business principles:-

- State-of-the-art equipment
- Vigorous quality-control measures
- Listening to and working with our customers
- On-time delivery
- Innovation in manufacturing
- Commitment to eco-sustainability

In line with the Group's key business principles, the Management is committed towards achieving the highest sustainability practices in driving our business to be a good steward of the Environment, Community and our Employees.

The Board provides guidance and oversight to ensure that the Company is equipped with the appropriate strategies and risk management processes to create sustainable values for all stakeholders. The CEO drives the operational responsibility for sustainability matters, whereas the Management Team is responsible for formulating and implementing sustainability policies across the organisation.

The CEO and the Senior Management Team report to the Board on a regular basis regarding sustainability issues and recommend the best practices for implementation.

All heads of departments are dedicated and unified to the common goal of proactively enhancing their respective department's sustainability practices throughout the Group. The Group's Occupational Safety and Health Committee is headed by our CEO and its members are represented by both the Management and employee representatives.

The Group's Risk Management Policy includes EES components to safeguard the interest and meet the expectations of its shareholders, employees, customers, communities and the environment that are impacted by our business and operations.

By adhering to our key business principles and responding to shifts in sustainability matters, the Management looks forward to continually improve the delivery of sustainable products and services.

Creating Worthiness

As we journey towards further success, the Group strives to create worthiness by becoming a company that our clients, employees and the community can depend on. As we unswervingly overcome the challenges brought about by economic, technological and geopolitical changes, we push our capability to navigate our trajectory towards the right path.

Supporting Local Business

We support Malaysia's manufacturing industries and infrastructure projects as well as property development and construction sectors. We constantly look into upgrading our technology, and augmented by our ongoing initiatives, we endeavour to produce better products and offerings.

Going Global

We are constantly upgrading the quality of our products to meet both local and international demand. As at today, our export markets include destinations in North America, Europe, Australia and New Zealand as well as South East Asia.



SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC, ENVIRONMENTAL AND SOCIAL

(A) ECONOMIC

INVESTOR

The Group strives to enrich its corporate value by implementing a stable and long-term growth strategy that will benefit its shareholders. The Group maintains its efforts to engage with its shareholders through the following initiatives:

- Maximises the shareholders' wealth through consistent initiatives for achieving operational excellence and sustainable growth;
- Discloses and disseminates all material information in a timely, open, fair and transparent manner;
- Ensures that a robust system of corporate governance is in place;
- Implements policies including Code of Conduct, Anti-Bribery and Corruption Policy as well as Whistle Blowing Policy that will promote ethical behaviour and conducts business responsibly in accordance with high standards and business ethics; and
- Engages with the shareholders and investors via various channels of communication, such as General Meetings of shareholders, press releases and the Company's website.

SUPPLIER

The Group respects and works closely with its suppliers by fostering long-term relationships to realise mutual growth based on mutual trust. In this regard, the Group engages its suppliers through the following protocols:

- We are ISO 9001 certified. All of our suppliers must strictly comply with all relevant local laws and regulations. As part of our assessment process, we conduct site visits at selected suppliers and evaluate their financial performance to determine the viability of the supplies and assess any associated customer complaint. Biannual evaluation is performed for selected key suppliers to make sure that the bulk of our supplies remain optimal;
- We engage in ethical procurement practices by adopting standard and equitable procedures in evaluating the vendors' qualifications;
- We ensure that the supplied products are in accordance with the Group's requirements and standards; and
- We conduct an evaluation of suppliers to verify that the required standards are satisfied in the supply chain.

CUSTOMER

In line with the Group's Mission of "**Customer Focus**", we are cognizant of our role as a responsible corporate entity and we endeavour to identify, manage and deliver sustainable value in our products and services.

Quality and Reliability

We have established our quality policy to prove our unwavering commitment in fulfilling the stringent requirements of product reliability and quality. In addition to our continuous ISO9001 certification and our adherence to the other global quality standards, we are endeavouring to maintain world-class quality aluminium products.

Technology

The Group stays ahead of the market competition because of our initiatives to invest in new technologies.

Our factories are equipped with the state-of-the-art machineries and equipment from Japan, Italy, Germany as well as China. With technological advantage on our side, we are able to satisfy the strict requirements and specifications of our customers, as all our products are tested for quality assurance before delivery to customers.

SUSTAINABILITY STATEMENT (CONT'D)
Customer Engagement

We have established various forms of customer communication channels so that we can work closely and collaboratively with our valued customers to understand their needs and feedbacks. Timely and sustainable solutions will be devised in order to resolve the challenges.

(a) Regular visits

Regular visits to the customers enable us to meet market demands and modify the designs and technical specifications to meet the requirements of our global network of customers.

(b) Monitoring

Quality reports and complaint systems are monitored closely to ensure issues are resolved in the shortest time and that similar problems do not reoccur.

(c) Satisfaction Survey

Satisfaction surveys are conducted and results are used to understand our customers' satisfaction levels and experiences which give us a deeper understanding of our customers' expectations and define our actions moving forward.

Below are the results of the surveys conducted for past 5 years:

Customer Satisfaction Survey					
Rating Criteria	Scores (out of 100%)				
	2017	2018	2019	2020	2021
Quality	78%	78%	78%	84%	86%
Finishing	79%	78%	78%	85%	86%
Delivery	81%	79%	81%	85%	87%
Price	83%	69%	70%	77%	77%
After Sales Service	83%	83%	82%	88%	88%
Technical Support	80%	77%	79%	86%	85%
Overall	82%	78%	78%	84%	85%

(d) Company's website

Our customers may visit the Company's website at www.lbalum.com to gain information on our company profile, facilities, products and services. Product catalogues are downloadable and our contact information is provided for customers who wish to reach us.

(e) Mobile application

By using the Company's mobile application, our customers can access and download information on our products and catalogues anytime and anywhere on their mobile devices, such as smart phones and tablets.



SUSTAINABILITY STATEMENT (CONT'D)

(B) ENVIRONMENTAL

The growth of our Group is reflected not only by economic factors alone but also by our alignment with our stakeholders' interest and the Company's Mission of "**Care for the Environment**".

In contrast to other metal industries, the aluminium industry is in a remarkable position to offer sustainable and functional solutions for the society and the economy. Aluminium's elemental nature possesses an inherent and unique recyclability property. Once a particular aluminium product has reached its end of life, it can undergo an infinite recycling process for the benefit of future generations.

Our production process operates in a procedure designed to conserve resources, reduce discharges and emissions as well as recycling of waste and production residuals. We identify and strive to minimise our environmental impacts during production by installing environmentally friendly mechanisms, practising active monitoring on waste management and continuously working on conserving resources.

Environmental Compliance

The environmental regulations that specifically apply to the Group are:-

- Environmental Quality Act 1974;
- Environmental Quality (Clean Air) Regulations 2014;
- Environmental Quality (Industrial Effluent) Regulations 2009; and
- Environmental Quality (Scheduled Wastes) Regulations 2005

We are committed to operate in accordance with these relevant laws and regulations, so that we can ensure that our operation procedures are of the prescribed standards.

Waste and Resources Management

In all of our facilities, we apply the "**Reduce, Reuse and Recycle ("3Rs")**" approach to achieve a more sustainable factory waste and resources management system. Our aim is to reduce the disposal costs, toxicity and consumption of natural resources and overall waste-related impacts.

(a) Material Recovery

We strongly believe in fully harnessing the advantages of aluminium scrap recycling. This strategy leads to multiple pronged rewards: reduces waste, boosts the economy by supplying the demand for more aluminium products and curtails further extraction of metals. These ultimately result in savings in environmental and social costs.

Below is the percentage (%) of the recycled aluminium used in the production for the past 5 financial years:-

Recycled Aluminium					
	FY2018	FY2019	FY2020	FY2021	FY2022
% of recycled aluminium	26%	24%	25%	25%	22%

SUSTAINABILITY STATEMENT (CONT'D)
(b) Glove Recycling Project

A project that has been fundamental in our journey towards consistent improvement, particularly in terms of both environmental conservation and cost reduction is our Glove Recycling Project.

Instead of a one-time use, our used gloves for certain operation departments with heavy usage are sent to external party for reconditioning and cleaning. This endeavour is not merely a cost-saving measure but also an environmentally friendly way to reduce our impact to the surroundings. Gloves can be recycled as many times as possible as long as the gloves are intact.

(c) Scheduled Wastes

To reduce the quantity and toxicity of our scheduled wastes, we have installed eco-friendly systems such as Caustic Recovery System, Acid Recovery System and Sludge Dryer while we reuse and refill chemical containers for liquid raw materials and/or chemicals.

In addition, there are established procedures for the collection of recyclable wastes which will contribute to environmental preservation. The following are the recyclable wastes that were collected and sold to external recycling companies during the financial year under review:

Recyclable Waste				
Nature of Waste	Quantity			
	FY2019	FY2020	FY2021	FY2022
Aluminium Hydroxide	907,543 Kg	797,802 Kg	885,100 Kg	650,890 Kg
Aluminium Scrap and Saw Dust	149,798 Kg	70,139 Kg	84,379 Kg	60,496 Kg
Iron Scrap	74,980 Kg	38,511 Kg	35,430 Kg	26,800 Kg
Broken Mould	64,015 Kg	113,590 Kg	78,010 Kg	32,370 Kg
Paper and Plastic	41,782 Kg	25,614 Kg	44,568 Kg	42,791 Kg

For non-recyclable wastes, we have hired an external qualified waste management company to collect the non-recyclable hazardous wastes from our premises for proper disposal in accordance with the industrial standards.

(d) Water Management

We endeavour to reduce our water consumption and manage our water discharge responsibly, so that the treated water can be returned safely to the water cycle whilst imposing minimum impact on the environment.

Effluent

We monitor closely the wastewater discharge in terms of quality and actual destination of discharge at our premises. We assess a total of more than 30 water quality parameters in our wastewater treatment plant. The analysis of the samples of wastewater that are discharged from our factories is carried out by an external party at a laboratory certified by Department of Environment.

Volume of the wastewater treated for the past 5 financial years:

Treated Wastewater					
	FY2018	FY2019	FY2020	FY2021	FY2022
Volume (M ³)	511,890	424,317	353,127	415,426	359,228



SUSTAINABILITY STATEMENT (CONT'D)

Energy Management

The key to saving energy in our organisation is energy management. For this reason, our Group is consistently working to reduce our energy consumption and constantly raising awareness amongst employees about ways to improve process efficiencies and maximise productivity, strengthen standard operating procedures and implement the use of energy-efficient equipment.

Below are the details of energy consumption for the past 5 financial years:-

Energy Consumption					
	FY2018	FY2019	FY2020	FY2021	FY2022
Diesel (litres)	98,993	97,723	84,374	93,077	91,337
Natural Gas (Sm3)	4,064,897	3,901,824	3,425,980	3,896,246	3,418,306
Electricity (kWh)	41,433,560	40,359,516	34,859,854	37,663,160	36,844,336

Solar Energy

We are constantly exploring the use of renewable energy to reduce production cost as well as to minimise the energy-related environmental damage caused by fossil fuels. At present, purchased electricity and fuels (diesel, natural gas and liquefied petroleum gas) are our main energy sources. The initiative to transition towards solar energy will reduce our dependency on fossil fuels and at the same time increase our commitment towards environmentally friendly renewable energy sources.

We currently have two solar photovoltaic rooftop projects with a total capacity of 2.2MWp installed at our Beranang factory. We are adding another two solar photovoltaic rooftop projects with an additional capacity of 1.1MWp in the second half of 2022.

Below are the details of electricity saving from our solar photovoltaic rooftop projects for the past 3 financial years:-

Solar photovoltaic rooftop project	FY2020		FY2021		FY2022	
	MWh	RM'000	MWh	RM'000	MWh	RM'000
1.0 MWp	964	342	1,332	473	1,328	471
1.2 MWp	-	-	574	204	1,692	601
Total	964	342	1,906	677	3,020	1,072

Environmental Training

To instil more sustainable practices in our workplace, we have designed sustainable environmental initiatives. In addition to daily reminders and internal environmental trainings, we will send our employees to external trainings as and when there are suitable topics in relation to our operations to ensure that we are in line with the current good practices, regulations and existing standards.

SUSTAINABILITY STATEMENT (CONT'D)
(C) SOCIAL
EMPLOYEE

The Group's employees are amongst its most valuable assets and are key drivers of our organisational success.

To this end, we employ various means of employee engagement in order to build a bright future and a decent working environment for our people.

Employee Trainings

The Company has made a concerted effort to attract, retain, motivate and develop the best talents that the industry can offer. We have organised multiple comprehensive training programmes that cover a wide range of topics: compulsory product and induction training; management and leadership skills; operation, technical and maintenance skills; sales and marketing; governance and regulatory compliance; and quality and productivity improvement courses.

Each training category comprises a number of sub-categories that are specialised for employees of different classes and departments.

The following are the summary of the trainings provided to employees in the year under review:-

Training Type	Training Subcategories	No. of Attendees	Number of Hours
Compulsory Product and Induction	• New employee orientation	41	4
	• Intra-departmental training	10	4
	• Foreign worker induction	51	1
Operation, technical and maintenance skills	• Understanding of products and system	41	7
	• Basic understanding of calibration	17	7
Governance and Regulatory Compliance	• MAESCO seminar for Certified Energy Manager	1	35
	• FMM seminar on facilitating seamless import and export clearance using the right customs facilities	2	6
	• Anti-Bribery and Corruption Policy	122	4
Quality and productivity improvement courses	• Measurement uncertainty	18	7
	• Root cause and problem solving techniques	25	14

The Group leverages technology to digitalise the training and development programs for the employees to facilitate greater participation and interaction in training.

Diverse Workforce

The Group welcomes talented employees from different backgrounds as we believe that the skill, expertise and work ethic of the employees are the attributes that will ultimately determine their success within the organisation.

The Group upholds equal opportunity and forbids harassment of any kind. Employees who are found engaging in activities of harassment or discrimination will be held liable to strict disciplinary action.



SUSTAINABILITY STATEMENT (CONT'D)

The number of our employees categorised by gender and age group:-

Number of Employees	By Age Group			Total
	20 - 30 years old	31 - 40 years old	41 years old and above	
By Gender				
As at 30 April 2022				
Male	256	247	220	723
Female	54	45	36	135
Total	310	292	256	858
As at 30 April 2021				
Male	331	274	231	836
Female	58	43	33	134
Total	389	317	264	970
As at 30 April 2020				
Male	295	234	219	748
Female	53	44	31	128
Total	348	278	250	876
As at 30 April 2019				
Male	317	250	224	791
Female	55	51	33	139
Total	372	301	257	930

Work Life Balance

Our employees collectively work towards a shared objective and spend a significant amount of time interacting with one another in a professional setting. As such, the Group recognises the importance of nurturing positive employee relationships through team-building activities and social gatherings. We highlight the celebration of major achievements, important milestones and other events that are important to our employees.

During the COVID-19 pandemic in the past two years, the Group temporarily stopped organising employee sports and recreational activities. With the country's transition to the endemic phase from 1 April 2022, the Group will resume the employee engagement activities in the second half of 2022 to cultivate stronger relationships among our employees.

Employee Retention

The Group recognises the employees' contributions and achievements in accomplishing the Company's goals by rewarding bonuses and incentives to maintain a high performance work force. We established Long Service Award in recognition of our employees' loyalty, dedication and commitment towards the Company. Meanwhile, we also provide medical benefits, hospitalisation and personal accident insurance coverage as well as educational support for the children of employees in need.

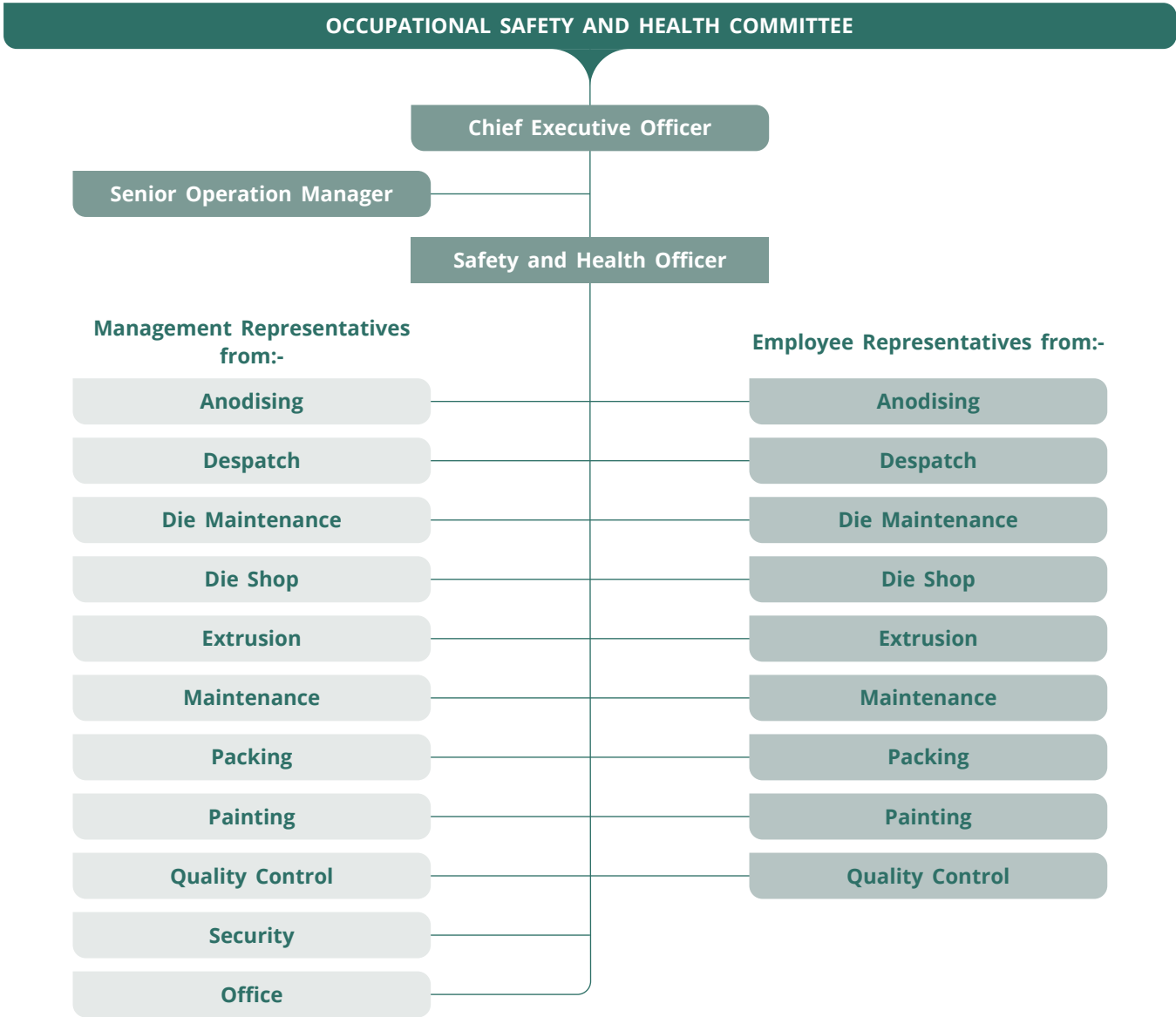
We are pleased that since the outbreak of the COVID-19 pandemic, the Group has not laid off any employee.

SUSTAINABILITY STATEMENT (CONT'D)

Safety and Health

Safety and Health is embedded in our Mission of **“We provide safe work environment”** and is ranked high amongst our materiality theme. The Group’s Occupational Safety and Health Committee (“OSHC”) is headed by the CEO and consists of Management and employee representatives from different functional groups. The OSHC is responsible for the group-wide continuous improvement, enforcement and promotion of the internal and external workplace safety, health and welfare in our operations.

The following is the structure of the OSHC:-



Personal protective equipment including ear plugs, helmets, safety shoes, eye goggles, mask and gloves are provided to relevant employees to prevent the consequences of serious injuries. Employees are required to wear the protective equipment at all times during work hours to minimise the effects of workplace hazards.



SUSTAINABILITY STATEMENT (CONT'D)

Safety and Health Trainings

Our internal and external safety and health programmes are structured by our OSHC and prioritised based on the requirements of specific operation sites and work areas. The orientation and job trainings on safety and health education aim to instil proper knowledge as well as to eliminate unsafe working habits and attitude that may result in possible accidents in the workplace.

The following are the safety and health programmes conducted in the year:-

Topics	Objectives	Participants	Training Hours
Use of Fire Extinguisher	To teach employees how to use a fire extinguisher	All employees	1
Safety on Making Wooden Pallets	To create awareness among employees on the appropriate ways to make, manage and use of pallets in production area	Production workers	1
Safety on Handling Overhead Crane	To impart the safe operating procedure, awareness and understanding of potential hazards and accidents in crane operation	Crane operator; Assistant supervisor; and Production supervisors	1
Safety on Handling Cutting Machine	To impart the safe operating procedure awareness and understanding of potential hazards and accidents in operating of cutting machine	Production workers	1
Safety on Handling Air Nailer Machine	To educate the employees on using air nailer machine by following the safety procedures	Production workers	1
Safety on Handling Chemical	To educate the workers in using, handling and storing chemicals	Production workers	1
Safety at Workplace	To cultivate safety awareness among the production workers while performing their tasks. To achieve zero accident while meeting productivity and efficiency	Production workers	1
Forklift Safety	To show the safe operation of an industrial forklift	Forklift driver; Assistant Supervisor; and Production supervisors	1

COVID-19 Endemic Safety Measures

We closely monitor the development of the COVID-19 cases in the country and continue to adhere to preventive measures to prevent the spreading of the disease in the community.



SUSTAINABILITY STATEMENT (CONT'D)

COMMUNITY

The Group takes great care to prevent any adverse EES impact in the communities that we operate in. We pride ourselves on being a responsible corporate entity and we strictly adhere to all laws and regulations put forth within the district of operations.

Moreover, the Group recognises the co-relationship between business growth and community well-being and welfare. Therefore, to fulfil our corporate responsibility to the community, we express our commitment to improve community sustainability by organising various activities that are aimed towards promoting community engagement and addressing the needs of less-fortunate and underprivileged families.

The initiatives taken by the Group include:

- Monetary donations to schools, charity, welfare and voluntary associations;
- Welfare visits and contributions to charitable organisations;
- Distribution of gifts to neighbouring communities and the needy during festivals; and
- Encouragement of our employees to participate in voluntary works for charitable events.

For the financial year under review, the Group visited Pertubuhan Kebajikan Kajang in November 2021 and donated household items to benefit the elderly and disabled in need. The Group also provided educational support to the children of selected workers in December 2021 by providing cash vouchers to purchase school supplies.



AUDIT COMMITTEE REPORT

COMPOSITION

Toh Kham Huat (Chairman)	Neoh Lay Keong	Dato' Dr Mohd Husni Bin Ahmad
Independent Non-Executive Director	Senior Independent Non-Executive Director	Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference for the Audit Committee can be viewed at the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2022.

ATTENDANCE

During the financial year ended 30 April 2022, four (4) Audit Committee's meetings were held. The details of attendance of each member at the Audit Committee meetings held during financial year 2022 are as follows:-

Name of Audit Committee Members	Number of Audit Committee Meeting Attended
Toh Kham Huat	4/4
Neoh Lay Keong	4/4
Dato' Dr Mohd Husni Bin Ahmad	3/4

SUMMARY OF WORK CONDUCTED DURING THE FINANCIAL YEAR

The activities conducted were in accordance with the Terms of Reference of the Committee, included the following:

- (i) reviewed the External Auditors' engagement letter, the scope of work, and the audit plan for the financial year. Representatives from the External Auditors presented the audit plan to the Audit Committee before the commencement of the audit;
- (ii) reviewed the Group's accounting system and internal control system with the External Auditors;
- (iii) reviewed the Audit Completion Report issued by the External Auditors that covered the audit opinion and key audit matters for the current financial year;
- (iv) reviewed the Transparency Report issued by the External Auditors that provides relevant information on the design, implementation and operation of the External Auditors' system of quality control;
- (v) reviewed the cooperation and support given by the management to the Internal Auditors and External Auditors;
- (vi) reviewed the scope, audit plan, and audit reports of the Internal Auditors for the financial year;
- (vii) reviewed the quarterly and annual financial statements of the Company and the Group before recommending to the Board for its approval;
- (viii) reviewed the related party transactions and any conflict of interest that may arise within the Group;
- (ix) reviewed the performance and assessed the suitability, objectivity, and independence of the External Auditors before recommending to the Board the re-appointment of the External Auditors and their audit fees;
- (x) reviewed the annual Audit Committee Report for inclusion in the Company's Annual Report;
- (xi) reviewed the business procedures to ensure compliance with the relevant law and regulations as well as good corporate governance;

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK CONDUCTED DURING THE FINANCIAL YEAR (CONT'D)

The activities conducted were in accordance with the Terms of Reference of the Committee, included the following: (cont'd)

- (xi) reviewed the Statement on Risk Management and Internal Control prior to the endorsement by the Board for inclusion in the Company's Annual Report;
- (xii) reviewed the Risk Management Policy and the Risk Management Committee's reports; and
- (xiii) had private session between the Audit Committee and the External Auditors without the presence of Management and Company Secretary.

All the requirements under the Terms of Reference were complied with, and the Audit Committee did not see any matters in breach of the MMLR that warrant reporting to Bursa Malaysia Securities Berhad.

INTERNAL AUDIT FUNCTION

The internal audit function is independent and has no involvement in the operations of the Group. It was set up within the Company to assist and report directly to the Audit Committee in providing assurances that the internal control system of the Group is effective and adequate.

For the financial year under review, audits were performed to evaluate and identify any weaknesses of the internal controls affecting the Group, the adequacy of the existing system of internal controls and to recommend measures to the Management to improve and rectify any weaknesses. The Management is responsible for ensuring corrective actions on reported weaknesses are taken within the required time frame.

For the financial year ended 30 April 2022 the audit reviews covered the following key risk areas, in accordance with the approved audit plan:-

- | | | |
|---|--|--|
| <p>(a) Manufacturing Division</p> <ul style="list-style-type: none"> • Planning • Extrusion • Anodising • Powder Coating • Quality Control • Die and Moulding • Despatch | <p>(b) Trading Division</p> <ul style="list-style-type: none"> • Sales and Marketing • Warehouse <p>(c) Branches</p> <ul style="list-style-type: none"> • Melaka • Sabah | <p>(d) Subsidiaries</p> <ul style="list-style-type: none"> • ALBE Marketing Sdn Bhd • Facade Performance Lab Sdn Bhd |
|---|--|--|

The costs incurred for the internal audit functions in respect of the financial year ended 30 April 2022 was RM182,669.



EXECUTIVE CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements of the Group and of the Company for the financial year ended 30 April 2022.

OVERVIEW

The financial year 2022 started off with the Covid-19 pandemic continuing unabated with widespread effects on both the domestic and global economy. As the number of Covid-19 cases rose unrelentingly in Malaysia in the first half of the year, the Malaysian Government imposed a nationwide total lockdown. Our Company's operations were understandably affected as we complied with the Government's directives. Fortunately, the successful rollout of the vaccination program in Malaysia in the latter half of the year resulted in the gradual roll back of containment measures and we were able to resume normal operations. As the safety and health of our employees remains our top priority, we strongly encouraged all our employees to get vaccinated and by the end of 2021, all our employees were fully vaccinated. We urged all employees to get their booster shots as well. During this period, we adhered strictly to Covid-19 safety protocols recommended by the Malaysian health authority and performed Covid-19 tests for all employees on a regular basis.

As a result of lockdown measures introduced by the Government, Malaysia's GDP contracted by 4.5% in the third quarter of 2021. However, the country's GDP returned to positive territory with 3.6% growth in the fourth quarter of 2021 following the successful implementation of the country-wide vaccination program and the subsequent easing of Covid related restrictions. Malaysia's GDP continued to improve with 5.0% growth in the first quarter of 2022.

Despite this difficult and uncertain period, the Group's management remained positive and introduced pre-emptive measures and minimized the adverse impact of the pandemic and lockdowns. These include prudent management of our cashflow and financing requirements as well as our inventories and receivables. Other measures include improving our production processes and maintaining a highly effective workforce while ensuring that our margins are protected. Our profitability started to increase in the second quarter of the financial year 2022, in line with the recovery of the Malaysian and global economy.

FINANCIAL PERFORMANCE

I am proud to report that despite the difficult and disruptive business environment, the Group's revenue for the year under review increased by 30.2% to RM686.6 million. The consolidated profit before tax stood at RM51.4 million, a 4.8% improvement over the previous year while profit after tax was RM38.5 million. The Group's results are detailed in the Management Discussion and Analysis section.

Earnings per share for FY2022 was 9.59 sen (FY2021: 9.48 sen) based on the total number of issued shares of 434,850,699. As of 30 April 2022, the Group's net assets per share was RM0.83 (FY2021: RM0.76) while shareholders' funds stood at RM362.9 million (FY2021: RM331.8 million).

CORPORATE DEVELOPMENT

On 16 July 2021, the Company announced a proposed bonus issue of up to 186,364,750 new ordinary shares ("Bonus Shares") on the basis of three (3) Bonus Shares for every four (4) existing ordinary shares held in the Company ("Proposed Bonus Issue"). The Proposed Bonus Issue was approved by the Company's shareholders at the Extraordinary General Meeting held on 12 August 2021. The Proposed Bonus Issue was completed on 30 August 2021 with the listing of the Bonus Shares on Bursa Malaysia Securities Berhad.

**EXECUTIVE CHAIRMAN'S STATEMENT (CONT'D)****SUSTAINABILITY**

The Company understands the importance of Environmental, Social and Governance ("ESG") practices for the Group and its stakeholders. We are committed to ensuring that ESG considerations are part of our business decisions and daily operations. Today, purchased electricity and fuels (diesel, natural gas and liquefied petroleum gas) are our main energy sources. We have taken the initiative to transition towards solar energy which will reduce our dependency on fossil fuels and simultaneously drive our commitment towards more environmentally friendly energy sources. During the financial year, we have commissioned another solar photovoltaic rooftop project with capacity of 1.0 MWp. Together with our existing solar photovoltaic projects, we now have a total capacity of 3.2 MWp.

DIVIDEND

The Board of Directors is pleased to recommend a first and final single-tier dividend of 2.5 sen (2021: 2.5 sen) per ordinary share based on the total number of issued shares of 434,850,699 amounting to RM10,871,267 (2021: RM10,871,267) in respect of the financial year ended 30 April 2022 which is subject to approval of the shareholders at the forthcoming annual general meeting.

OUTLOOK

According to The World Bank, global growth is expected to slump from 5.7% in 2021 to 2.9% in 2022, significantly lower than the 4.1% anticipated in early 2022. In its June 2022's Global Economic Prospects report, the damage from the Covid-19 pandemic compounded by the Russian invasion of Ukraine could see the global economy enter a protracted period of feeble growth and high inflation. However, on the home front, Malaysia's GDP growth for 2022 is forecasted to be between 5.3% and 6.3% as the country's macroeconomic outlook is expected to improve further from the second quarter onwards. The relaxation of containment measures and reopening of international borders should support a continued pick-up in domestic economic activities. Increased exports will be another driving factor for growth this year.

Despite the ongoing geopolitical and economic uncertainties, particularly inflationary concerns and rising interest rates, I would like to proceed with cautious optimism given the strength of the Malaysian economy. We will continue to adapt and refine our strategies moving forward including focusing on expanding our export business, diversifying our customer base and managing vigilantly the volatile raw material prices. We will be prudent in managing our balance sheets to ensure we have adequate funds to meet our financial obligations as and when they come due and to maintain a healthy capital base for future expansion projects.

Barring unforeseen circumstances, your Board is optimistic that the Group will be profitable in the forthcoming year.

APPRECIATION

On behalf of the Board, I would like to share our heartfelt appreciation to all of our employees for their patience, hard work, commitment and loyalty that they continue to show, which sets the Group up for another year of stellar financial performance in spite of the challenging operating environment. Our thanks are also extended to our shareholders, customers, suppliers, bankers, government agencies and others whose unwavering support are vital to the continued success of the Group and helps us remain the largest supplier of aluminium extrusion in Malaysia. Finally, I would like to thank my fellow directors for their invaluable and forthright inputs and contributions throughout the financial year.

TAN SRI DATUK LEOW CHONG HOWA

Executive Chairman



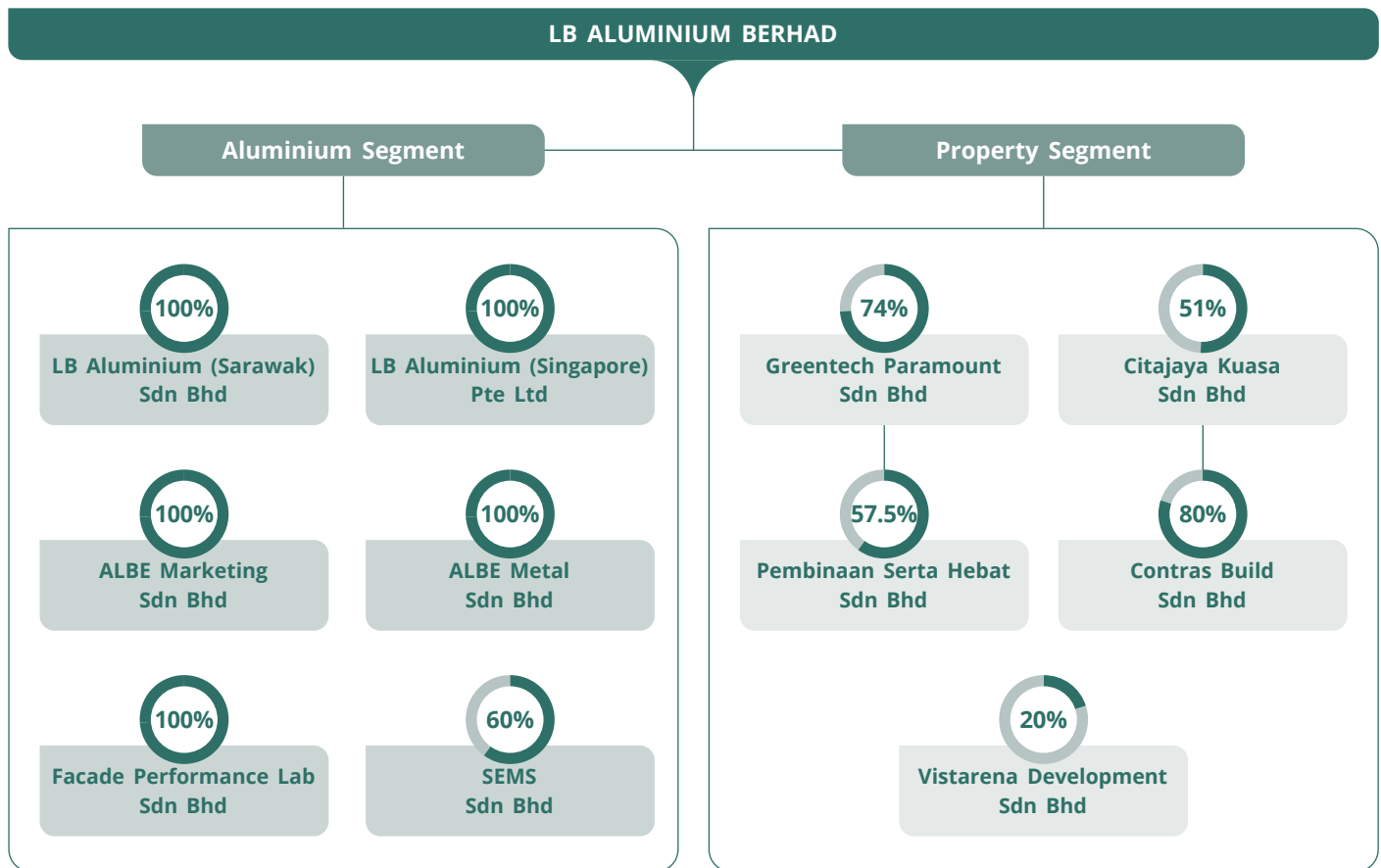
MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (“MD&A”) aims to enable shareholders, investors, and other stakeholders to view and understand the Group’s performance, financial condition, risk exposure, and prospects from the Management’s point of view.

The MD&A is to complement the financial statements by providing additional material non-financial information not included in the financial statements, to facilitate better comprehension and a deeper understanding by the stakeholders.

GROUP STRUCTURE AND BUSINESS SEGMENTS

The Group structure as at 30 April 2022 is as follows:-



The Group has categorised its business operations into two segments, namely the Aluminium Segment and Property Segment.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

GROUP STRUCTURE AND BUSINESS SEGMENTS (CONT'D)

Aluminium Segment

The Aluminium Segment represents the Group's core business which includes manufacturing, marketing and trading of aluminium and other metal products as well as ancillary businesses of property holding, providing performance tests for windows, doors and facades, providing metal stamping and other engineering works.

The detailed information of the Aluminium Segment is stated in the Corporate Profile of this Annual Report on pages 2 and 3.

Property Segment

The Group diversified into property development in March 2018.

In June 2018, Vistarena Development Sdn Bhd ("Vistarena"), the 20% associate of the Company, launched a residential project with a gross development value ("GDV") of RM468.0 million namely the Platinum OUG Residence located at Kampung Muhibah, Kuala Lumpur. The project is 99.9% sold, and Vistarena expects to deliver vacant possession to the house buyers by the third quarter of 2022.

In May 2022, Pembinaan Serta Hebat Sdn Bhd ("PSH"), a subsidiary of the Company, launched the Satu Anggota Satu Rumah ("SASaR") residential project at Bandar Tasik Selatan. The SASaR project comprises 3,500 residential units to be developed for the Malaysian armed forces, with a GDV of RM633.8 million. As of 30 June 2022, the accumulated sales and development progress of the SASaR project were 18% and 10%, respectively.

Meanwhile, Contras Build Sdn Bhd, another subsidiary of the Company, is in the latter stage of planning for its residential project at Bandar Sri Permaisuri, Kuala Lumpur.

OVERVIEW OF BUSINESS AND OPERATIONS

At the beginning of the Financial Year 2022, the Group's operations were adversely affected by the Movement Control Order 3.0 imposed by the Malaysian government in May 2021, followed by a nationwide total lockdown and the introduction of the four-phase National Recovery Plan ("NRP") in June 2021 to curb the rising COVID-19 cases. The Group resumed full operations in September 2021, while the movement restrictions in Malaysia ended in January 2022 after Sarawak and Kelantan moved to Phase 4 of the NRP.

The domestic and global economies were in the post-pandemic recovery at the beginning of the year 2022, in tandem with the easing of containment measures that boosted economic activities. However, the recovery momentum slowed in late February 2022 after Russia initiated military operations against Ukraine. The war exacerbated the global supply chain disruptions, energy crisis, and food shortage. Most global commodities, including aluminium, have seen their prices soar to historical highs in March and April 2022 due to the sharp decrease in export from Russia and Ukraine amid sanctions imposed on Russia and export blockage.

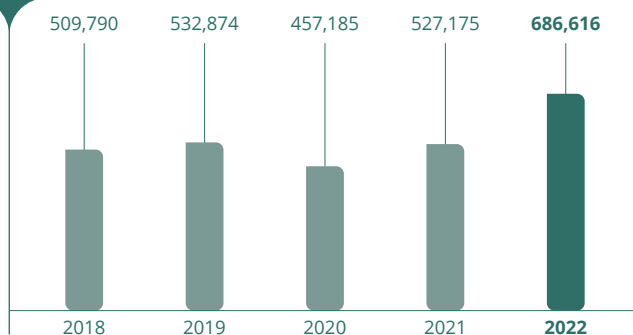
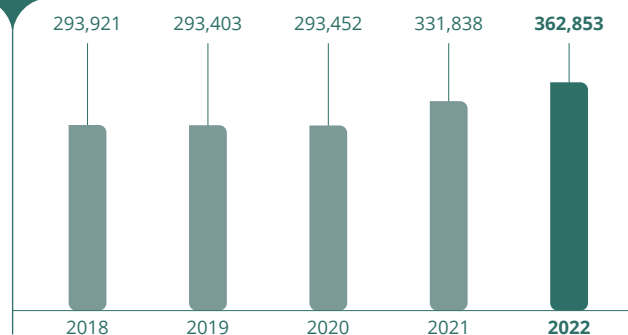
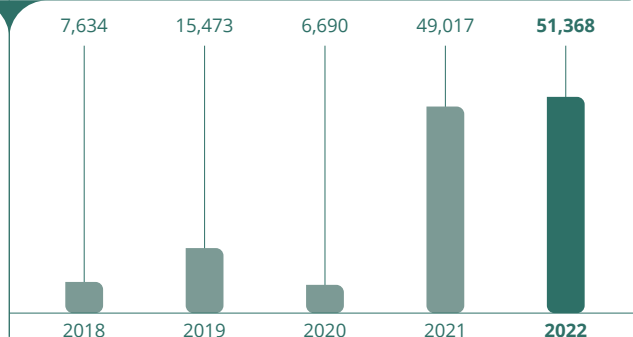
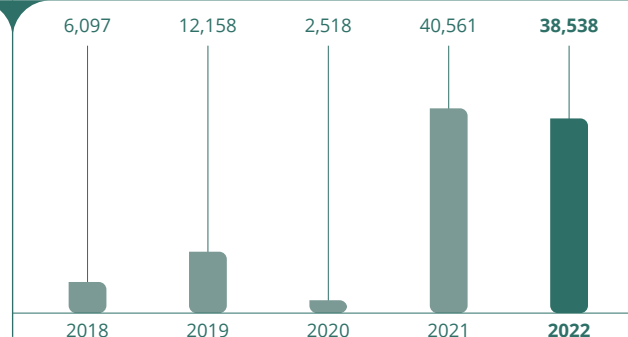
Despite all the headwinds, the Group managed to overcome the difficult operating environment and uncertainties to report a historical high revenue and profit before taxation ("PBT") of RM686.6 million and RM51.4 million, respectively, for the Financial Year 2022.


MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)
REVIEW OF GROUP'S FINANCIAL RESULTS AND FINANCIAL CONDITIONS

The following table is the financial highlights of the Group for the past five (5) financial years:-

		Financial Year Ended 30 April ("FY")					
		2022	2021	2020	2019	2018	
Revenue	RM'000	686,616	527,175	457,185	532,874	509,790	
EBITDA	RM'000	72,168	70,015	27,173	33,911	30,455	
Profit Before Taxation	RM'000	51,368	49,017	6,690	15,473	7,634	
Profit After Taxation	RM'000	38,538	40,561	2,518	12,158	6,097	
PATAMI	RM'000	41,722	41,209	3,844	12,169	6,097	
Total Assets		845,563	667,840	584,739	509,880	503,258	
Total Liabilities		483,453	335,321	290,555	215,975	209,337	
Total Shareholders' Equity		362,853	331,838	293,452	293,403	293,921	
Net Gearing Ratio		Times	0.56	0.38	0.41	0.35	0.30
Earnings Per Share		Sen	9.59	9.48	0.88*	2.80*	1.40*
Net Asset Per Share		RM	0.83	0.76	0.67*	0.67*	0.67*

* The comparative figures are restated assuming the Bonus Issue completed on 30 August 2021 has taken place as at earliest date presented.

REVENUE (RM'000)

TOTAL SHAREHOLDERS' EQUITY (RM'000)

PROFIT BEFORE TAXATION (RM'000)

PROFIT AFTER TAXATION (RM'000)


MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

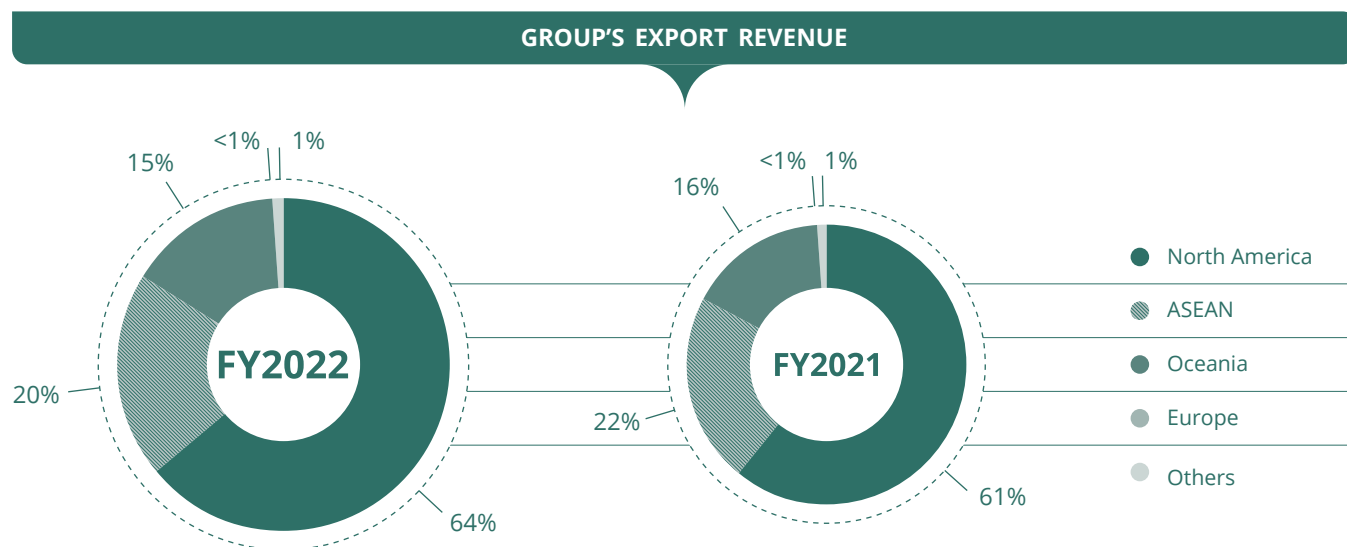
REVIEW OF GROUP'S FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)

The following table is the breakdown of the Group's performance for FY2022 and FY2021 by business segments:-

	FY2022			FY2021		
	Aluminium RM'000	Property RM'000	Group RM'000	Aluminium RM'000	Property RM'000	Group RM'000
Revenue	686,616	-	686,616	527,175	-	527,175
Profit/(Loss) Before Taxation	52,167	(799)	51,368	39,254	9,763	49,017
Profit/(Loss) After Taxation	39,337	(799)	38,538	30,798	9,763	40,561
Total Assets	605,543	240,020	845,563	553,751	114,089	667,840
Total Liabilities	330,188	153,265	483,453	253,300	82,021	335,321

(a) Revenue

The Group's revenue increased by RM159.4 million or 30% to RM686.6 million in the current financial year due mainly to higher average aluminum selling prices. The Group's export sales contributed approximately 40% to the total revenue of FY2022 compared to 35% in the previous year. The top three major export markets of the Group are North America, ASEAN countries, and the Oceania region.



The Aluminium Segment was the sole revenue contributor for FY2022, as the Property Segment will start to contribute to the Group's top line in the following financial year after the launch of the SASaR project by PSH in May 2022.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

REVIEW OF GROUP'S FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)

(b) Profit before taxation ("PBT")

The Group's profit before taxation increased by RM2.4 million or 5% to RM51.4 million (FY2021: RM49.0 million) in the current financial year due mainly to higher contribution from the Aluminium Segment.

Aluminium Segment

The Aluminium Segment's PBT for the current financial year increased by RM12.9 million or 33% to RM52.2 million (FY2021: RM39.3 million) due mainly to higher revenue and better profit margins as well as a gain on disposal of freehold land and factory buildings of RM4.20 million.

Property Segment

The Property Segment recorded a loss of RM799,000 (FY2021: PBT of RM9.8 million) due mainly to lower contribution from the associate and higher preliminary expenses incurred by the property subsidiaries. The Group's associate, Vistarena, contributed a PBT of RM5.0 million (FY2021: RM11.0 million) during the financial year amid lower work progress as the project's construction is approaching completion. PSH and Contras Build did not commence operations during the financial year and had incurred preliminary expenses of RM5.8 million (FY2021: RM1.2 million). The higher preliminary expenses were related to preparing the SASaR launching by PSH in May 2022.

(c) Taxation

The Group's effective tax rate for the financial year under review was higher than the statutory tax rate due mainly to the non-deductibility of provisions incurred.

(d) Profit after taxation

The Group reported profit after taxation of RM38.5 million (FY2021: RM40.6 million) in the current financial year.

(e) Financial position

Total Assets

At the end of the financial year, the Group's total assets increased by RM177.8 million or 27% to RM845.6 million (FY2021: RM667.8 million) due mainly to the increase in inventories. The Aluminium Segment's closing inventories increased by RM69.3 million or 60% to RM184.3 million (FY2021: RM115.0 million), due to higher aluminium prices and increased raw material quantity. Meanwhile, the Property Segment's inventories in the form of property development expenditure increased by RM133.2 million or 186% to RM204.9 million (FY2021: RM71.7 million), due mainly to higher costs incurred by PSH on the SASaR project.

On 30 December 2021, the Group completed the disposal of its investment property, the freehold land and factory buildings located at Subang Jaya, and recorded a gain on disposal of RM4.20 million.

The Group's cash position, including short-term funds, fixed deposits, and cash and bank balances, was RM58.6 million (FY2021: RM64.3 million) as at 30 April 2022.

Total Liabilities

As at 30 April 2022, the Group's total liabilities increased by RM148.2 million or 44% to RM483.5 million (FY2021: RM335.3 million), due mainly to the increase in Aluminium Segment's borrowings and Property Segment's trade payables. The Aluminium Segment's borrowings increased by RM65.7 million or 44% to RM214.8 million (FY2021: RM149.1 million), due mainly to higher utilisation of bankers' acceptances amid the rise of the global aluminium prices in March and April 2022. Meanwhile, the Property Segment's trade payables increased by RM39.0 million or 736% to RM44.3 million (FY2021: RM5.3 million), due mainly to a balance of development charge payable by PSH of RM32.7 million.

The Group's advances from minority shareholders increased by RM21.3 million or 78% to RM48.7 million (FY2021: RM27.4 million) due to higher advances made to PSH during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)
REVIEW OF GROUP'S FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)
(e) Financial position (cont'd)
Gearing

The Group's gearing ratio increased to 0.56 times as at 30 April 2022 (30 April 2021: 0.38 times) in tandem with the increase in the borrowings amid the rise of the global aluminium prices in the first half of 2022. The Group expects the gearing ratio to decrease in the second half of 2022 following the drop in the global aluminium prices.

The Group's capital management strategy focuses on maintaining a low and healthy gearing ratio while creating and maximising shareholders' value. By having a healthy gearing ratio, the Group will place itself in a better position to capture new business opportunities and withstand any economic adversities.

CAPITAL EXPENDITURE ("CAPEX")

The Group's estimated total CAPEX for the financial year ending 30 April 2023 ("FY2023") is RM12.0 million, of which its breakdown is shown below:

Asset Group	Main Usage	Amount (RM'000)
Plant and machinery	General upgrading works	9,191
Office equipment	Upgrade of ERP system and IT hardware	2,189
Other		650
Total CAPEX for FY2023		12,030

The Group expects the upgrade of its Enterprise Resource Planning ("ERP") system to be completed in the fourth quarter of FY2023. Meanwhile, the Group has commissioned its third solar photovoltaic rooftop project with 1.0 MWp capacity during the financial year and will continue to look for potential investments in solar energy to reduce its reliance on fossil fuels.

ANTICIPATED BUSINESS RISKS

The Group is exposed to several business risks such as market competition, fluctuations of global aluminium prices, volatility in currency exchange rates, political and economic instability, execution risk for property development projects, weak sentiments for the property market, and labour shortage.

(a) Market competition

Today, aluminium is widely used in modern industries as diverse as transport, construction, consumer goods, packaging, electrical engineering, and renewable energy due to its lightweight, excellent conductor of electricity, corrosion resistance, durability, and indefinite recyclability. The use of aluminium is expected to rise further in the coming years as the world strives to achieve the target of net zero carbon emissions by 2050 to keep the increase in global temperature to below 2 degree Celsius under the Paris Agreement.

In dealing with market competition, the Group has adopted a proactive approach by continuously upgrading its facilities and skills, improving production efficiencies, ensuring on-time delivery of quality products, and providing satisfactory services to our ever-discerning customers.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

ANTICIPATED BUSINESS RISKS (CONT'D)

(b) Fluctuations of global aluminium prices

The Group's primary raw material is the aluminium billet. As aluminium is one of the major commodities traded around the globe, the prices of aluminium billets are susceptible to disruptions in the supply chain, changes in global economic conditions, geopolitical tensions, trade restrictions, fluctuations in foreign exchange rates, and other external factors. When the price of the aluminium billets fluctuates, the Group's profit margins will be affected accordingly.

The Group closely monitors the aluminium's price movements and will adjust the selling prices whenever necessary to protect our margins and competitive edge. In addition, our aluminium billet inventories are earmarked for the existing orders in hand and we will hedge forward the aluminium prices for large orders with long delivery periods.

(c) Volatility in currency exchange rates

The Group is subject to foreign currency risk as all our aluminium billet imports and most export sales are denominated in USD. When the MYR fluctuates against the USD, the price of imported aluminium and the revenue generated from export sales will fluctuate and impact our profit margins.

Under normal circumstances, the Group has a natural hedge on the collections in USD from the export sales against the payments in USD for the imported aluminium billets. Nonetheless, the Group will also adjust its selling prices on a timely basis if our profit margins are affected by any prolonged weakening of MYR against the USD and vice versa.

To further reduce the foreign currency risk exposure, the Group also practices foreign currency hedging of significant payment for raw materials in USD as and when we see fit.

(d) Political and economic instability

The Group operates mainly in Malaysia, with approximately 60% of its revenue derived from domestic sales for the current financial year. The performance of the Group is significantly dependent upon the stability of the local political climate and the solidity of the Malaysian economy.

The Group is following closely the development of the local political and economic conditions to detect any potential downside risk and to take preventive measures to mitigate the impact of such risks.

(e) Execution risk for property development projects

The Group's property development business comprises investments in associate and non-wholly owned subsidiaries. The delay in completing any property development project will result in liquidated ascertained damages payable to the house buyers and cost overrun, adversely affecting the Group's reputation, profits, and cash flows.

The Group works closely with its business partners to operate and manage the property development projects to ensure on-time completion. The business partners have a proven track record in the Malaysian property development industry for many years.

(f) Weak sentiments for the property market

The rising inflations, interest rate hikes by the Malaysian central bank, and uncertainties over business recovery have disrupted the recovery momentum of the domestic property market post-pandemic. The slow recovery of the property market is evidenced by the high residential property overhang at the end of the first quarter of 2022. In addition, developers of new projects are facing challenges to deal with labour crunch, volatility of building material costs, and the uncertainty of a resurgence of COVID-19 cases.

The Group works closely with its business partners on the viability of future projects, including the property types, pricing, and the timing of the new launching. As the Group's land banks earmarked for property development are located at strategic locations in Kuala Lumpur, the Group is optimistic that with the proper planning and correct strategy execution, the future launches should achieve a satisfactory take-up rate.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

ANTICIPATED BUSINESS RISKS (CONT'D)

(g) Labour shortage

Like many other labour-intensive industries in Malaysia, the manufacturing industry heavily depends on migrant workers for its business operations. In the last two years of the COVID-19 pandemic in the country, most domestic manufacturers experienced a decrease in production output due to a shortage of workers.

The Group's labour shortage situation is manageable. Our application of new migrant workers is in the process, with new workers expected to arrive in stages starting from the third quarter of 2022. Nonetheless, the Group will continue to improve the operational processes to increase productivity. In addition, with the ERP system upgrade to be completed in early 2023, the Group expects to reduce the number of workers on the production floor gradually.

OUTLOOK

The Malaysian economy expects to continue its recovery momentum in the second half of 2022, backed by a solid economic activities performance, improved labour market conditions, and the easing of containment measures after the country has entered the transition to the COVID-19 endemic phase. The Bank Negara Malaysia and the World Bank have projected Malaysian GDP growth in 2022 of between 5.3% to 6.3% and 5.5%, respectively. Headwinds and challenges ahead include spillovers from the prolonged military conflict in Ukraine, the high inflation and rising recession fears across the globe and the renewed outbreaks of COVID-19 in China.

Aluminium Segment

During the FY2022, the Group's Aluminium Segment overcame the business challenges and operational disruptions to achieve its highest revenue and profits since incorporation. The Aluminium Segment's performance was against the backdrop of the post-pandemic economic recovery in the global and domestic markets and the sustained demand for aluminium products. During the financial year, the Group also adjusted its selling prices to mitigate the impact of the commodity price fluctuations caused by the global supply chain chaos and the spillover effects of the war in Ukraine.

Moving forward, we will continue to uphold the COVID-19 preventive measures in our factories to protect our employees from any resurgence of the cases within our communities. To date, 90% of our employees have completed their first vaccine booster shot. We encourage the remaining employees to have their booster dose as soon as possible amid the emergence of any new COVID-19 variant.

As the world is facing a looming global recession, we will keep a close eye on our financial position and manage our cash flow effectively to remain sustainable. We endeavor to fulfill the obligations toward our suppliers and bankers by paying them according to the agreed credit terms. At the same time, we communicate with our customers regularly to ensure they settle the debts owing to us while we continue to support them in their business needs.

Property Segment

The Malaysian property segment is on the right track to recovery as the country moves into the transition of the endemic phase starting from 1 April 2022, with border reopening and easing of restrictions. In addition, the Malaysian government launched the Keluarga Malaysia Home Ownership Initiative ("i-Miliki") on 15 July 2022. The i-Miliki offers a 100% stamp duty exemption incentive for first-time homebuyers for a residential property priced not exceeding RM500,000 and a 50% stamp duty exemption incentive for a residential property priced between RM500,001 to RM1.0 million. The stamp duty exemption will apply to sales and purchase agreements executed from 1 June 2022 to 31 December 2023.

The Group expects a positive contribution from the Property Segment in the next financial year following the launch of SASaR project by PSH in May 2022. As the selling prices of the SASaR units are below RM500,000, first-time homebuyers are entitled to the 100% stamp duty exemption under the i-Miliki program from 1 June 2022 to 31 December 2023. Meanwhile, the Group's associate, Vistarena, expects to complete the Platinum OUG Residence project in the third quarter of 2022.

Overall

While the Management remains nimble amid the global economic uncertainty and recession fears, we are cautiously optimistic, barring unforeseen circumstances, that LB Aluminium Berhad will have a promising prospect for the forthcoming financial year and the Group shall remain profitable.



BRANCH NETWORK

BRANCHES IN MALAYSIA

Head Office

Lot 11, Jalan Perusahaan 1, Kawasan Perusahaan Beranang, 43700 Beranang, Semenyih, Selangor Darul Ehsan

Tel : 03-8725 8822 (General)

03-8725 8833 (Sales)

Fax : 03-8725 8828 (General)

03-8725 8826 (Sales)

03-8725 8886 (Sales)

03-8725 8866 (Export)

Email : enquiry@lbalum.com.my

Website : www.lbalum.com

Johor Bahru

14 & 18, Lot PLO 206

Jalan Angkasa Mas 5

Kawasan Perindustrian Tebrau II

81100 Johor Bahru

Johor Darul Takzim

Tel : 07-355 0546

Fax : 07-355 0549

Penang

Lot 241 (PT 1075)

Tingkat Perusahaan 6

Kawasan Perusahaan Perai

13600 Perai

Pulau Pinang

Tel : 04-397 6998

04-397 6995

Fax : 04-397 6997

Kuantan

No. 4, Jalan IM 3/6

Kawasan Perindustrian Bandar Indera Mahkota

25200 Kuantan

Pahang Darul Makmur

Tel : 09-573 6666

Fax : 09-573 3322

Kota Kinabalu

Lot 7, Lorong Mangga-3 SEDCO Industrial Estate

5 ½ Miles (Off Jalan Kolombong)

88450 Kota Kinabalu, Sabah

Tel : 088-436 421

088-436 422

Fax : 088-436 423

Klang Valley

Block 3-1-17, Jalan Nagasari A 36/A

Pusat Dagangan Latania

Desa Latania, Seksyen 36

40470 Shah Alam

Selangor Darul Ehsan

Tel : 03-5166 2239

03-5166 5078

03-5166 5079

Fax : 03-5166 3829

Melaka

Lot 90, Jalan IKS MJ 4

Taman Malim Jaya

75250 Melaka

Tel : 06-337 3389

Fax : 06-337 2389



BRANCH NETWORK (CONT'D)

OPERATING SUBSIDIARIES IN MALAYSIA

ALBE MARKETING SDN BHD
[199701031224 (446723-K)]

53 & 55, Jalan PBS 14/10
Taman Perindustrian Bukit Serdang
43300 Seri Kembangan
Selangor Darul Ehsan
Tel : 03-8945 4919
 03-8945 4920
 03-8945 4921
Fax : 03-8945 4916
Email : albemarketing@lbalum.com.my

ALBE METAL SDN BHD
[200101026250 (562008-A)]

Lot 9A, Jalan Fimas
Off Jalan Simpang Balak
Kawasan Perindustrian Fimas
43000 Kajang
Selangor Darul Ehsan
Tel : 03-8736 3988
 03-8733 8188
 03-8733 8288
Fax : 03-8741 8993

LB ALUMINIUM (SARAWAK) SDN BHD
[200801009978 (811266-T)]

Lot 846 & 847, Block 7, MTLD
Sejingkat Industrial Park
93050 Kuching
Sarawak
Tel : 082-439 633
Fax : 082-432 893

FACADE PERFORMANCE LAB SDN BHD
[201801033311(1295338-T)]

Lot PT 20470, Jalan Perindustrian Mahkota 3/F
Taman Perindustrian Mahkota
43700 Beranang, Semenyih
Selangor Darul Ehsan
Tel : 03-8725 8936
Email : enquiry@fplab.com.my

OVERSEAS SUBSIDIARY

LB ALUMINIUM (SINGAPORE) PTE LTD
(200009299G)

No.11, Kaki Bukit Road 1
#03-07 Eunos Technolink
Singapore 415939
Tel : +65-6345 9131
 +65-6745 5693
Fax : +65-6745 5627

DISTRIBUTORS / DEALERS IN MALAYSIA

- Kangar
- Alor Setar
- Butterworth
- Ipoh
- Kuala Lumpur
- Shah Alam
- Seremban
- Melaka
- Johor Bahru
- Kuantan
- Kuala Terengganu
- Kota Bharu
- Kota Kinabalu
- Kuching

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of manufacturing, marketing and trading of aluminium extrusions and other metal products. The principal activities and details of the subsidiaries and an associate are disclosed in Notes 7 and 8 to the financial statements respectively. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	38,538	34,606
Attributable to:		
Owners of the parent	41,722	34,606
Non-controlling interests	(3,184)	-
	38,538	34,606

DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

	RM'000
In respect of financial year ended 30 April 2021:	
First and final single tier dividend of 2.50 sen per ordinary share, was paid on 16 November 2021	10,871

At the forthcoming Annual General Meeting, a first and final single tier dividend of 2.50 sen per ordinary share amounting to RM10,871,267 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 April 2023.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

On 6 July 2021, the Company announced to undertake a proposed bonus issue of up to 186,364,750 new ordinary shares in the Company ("Bonus Shares") to be credited as fully paid-up, on the basis of three (3) Bonus Shares for every four (4) existing ordinary shares in the Company ("Bonus Issue"). The Bonus Issue was completed on 30 August 2021.

The Company did not issue any new debentures during the financial year.



DIRECTORS' REPORT (CONT'D)

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS OF LB ALUMINIUM BERHAD

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tan Sri Datuk Leow Chong Howa

Mark Wing Kong

Yap Chee Woon

Leow Sok Hoon

Neoh Lay Keong

Dato' Dr. Mohd Husni Bin Ahmad

Toh Khiam Huat

Chew Kat Nyap

Teh Kok Heng

Leow Vinzie (Alternate Director to Tan Sri Datuk Leow Chong Howa) (Appointed on 29 June 2021)

Leow Vinken (Alternate Director to Tan Sri Datuk Leow Chong Howa) (Resigned on 29 June 2021)

DIRECTORS OF SUBSIDIARIES OF LB ALUMINIUM BERHAD

Pursuant to Section 253(2) of the Companies Act 2016, the Directors of the subsidiaries of LB Aluminium Berhad during the financial year and up to the date of this report are as follows:

Tan Sri Datuk Leow Chong Howa

Mark Wing Kong

Yap Chee Woon

Leow Vinken

Leow Vinzie

Chia King Ling

Khik Lap Fun

Ng Yong Huat

Tan Chung Tee

Tan Wei Kiat

(Resigned on 19 November 2021)

Yap Chee Keong

(Resigned on 29 June 2021)

Yap Chee Sen

Tan Sri Datuk Seri Gan Yu Chai

Gan Kah Siong

(Resigned on 16 June 2021)

Gan Yee Hin

(Appointed on 16 June 2021)

Chin Pooi Wai

Lim Soo Wai

Shaik Ahmad Sufian B.Shaik Kamal Farid



DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 30 April 2022 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	<----- Number of ordinary shares ----->			Balance as at 30.4.2022
	Balance as at 1.5.2021	Addition*	Sold	
Shares in the Company				
Direct interests				
Tan Sri Datuk Leow Chong Howa	74,973,406	56,230,054	-	131,203,460
Mark Wing Kong	3,643,500	2,732,625	-	6,376,125
Yap Chee Woon	844,300	633,225	-	1,477,525
Leow Sok Hoon	18,368,504	13,776,378	-	32,144,882

* Effect of three-for-four bonus issue completed on 30 August 2021

By virtue of Tan Sri Datuk Leow Chong Howa's substantial interest in the shares of the Company, he is deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest.

The other Directors holding office at the end of the financial year did not hold any beneficial interest in the ordinary shares of the Company or ordinary shares and debentures of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the followings:

- (i) remuneration received or due and receivable by certain Directors from the related corporations in their capacity as Directors or executives of the related corporation; and
- (ii) deemed benefits arising from related party transactions as disclosed in Note 31 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.



DIRECTORS' REPORT (CONT'D)

DIRECTORS' REMUNERATION

The details of Directors' remuneration are as follows:

	Group 2022 RM'000	Company 2022 RM'000
<u>Directors of the Company</u>		
Executive Directors:		
Short-term employee benefits:		
- fees	160	160
- salaries, bonuses and other benefits	3,681	2,878
- defined contribution plan	386	334
	4,227	3,372
Non-Executive Directors:		
- fees	240	240
- other benefits	23	23
	4,490	3,635
<u>Directors of the subsidiaries</u>		
Executive Directors:		
Short-term employee benefits:		
- salaries, bonuses and other benefits	1,122	-
- defined contribution plan	130	-
	1,252	-
Non-Executive Director:		
- fees	240	-
	1,492	-
Total	5,982	3,635



DIRECTORS' REPORT (CONT'D)

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors.

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and the officers of the Group and of the Company are RM10,000,000 and RM22,000 respectively.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

**DIRECTORS' REPORT (CONT'D)****OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D)****(III) AS AT THE DATE OF THIS REPORT**

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, BDO PLT (LLP0018825-LCA & AF 0206), have expressed their willingness to continue in office.

The details of auditors' remuneration of the Group and of the Company for the financial year ended 30 April 2022 are RM234,000 and RM85,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Tan Sri Datuk Leow Chong Howa
Director

Mark Wing Kong
Director

Kuala Lumpur
15 August 2022

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 82 to 167 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2022 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Tan Sri Datuk Leow Chong Howa
Director

Mark Wing Kong
Director

Kuala Lumpur
15 August 2022

STATUTORY DECLARATION

I, Wong Say Young (CA 29905), being the officer primarily responsible for the financial management of LB Aluminium Berhad, do solemnly and sincerely declare that the financial statements set out on pages 82 to 167 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur this)
15 August 2022)

Before me:

Wong Say Young

Mardhiyyah Abdul Wahab
No. W729
Commissioner for Oaths



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LB ALUMINIUM BERHAD
(INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of LB Aluminium Berhad, which comprise the statements of financial position as at 30 April 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 82 to 167.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters of the Group and of the Company

(a) Carrying amount of inventories at lower of cost and net realisable value

As at 30 April 2022, the carrying amount of inventories for aluminium products of the Group and of the Company were RM184,302,000 and RM168,011,000 respectively. Details of the inventories, are disclosed in Note 12 to the financial statements.

We have focused on the audit risk that the carrying amount of inventories may not be stated at the lower of cost and net realisable value. Writing down of inventories to net realisable value is mainly based on management estimates, which have been derived from estimates of selling prices that are subject to price volatility of aluminium and if not accounted for properly, may lead to the valuation of inventories being misstated.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF LB ALUMINIUM BERHAD
(INCORPORATED IN MALAYSIA) (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (cont'd)

Key Audit Matters of the Group and of the Company (cont'd)

(a) Carrying amount of inventories at lower of cost and net realisable value (cont'd)

Audit response

Our audit procedures included the following:

- (i) compared the net realisable values determined by management against the movements of world aluminium prices;
- (ii) analysed inventories turnover period by comparing that to the assessment of management on the identification of slow moving inventories; and
- (iii) tested inventories for sales subsequent to the year end to supporting documentation and assessed that the carrying amount of inventories is at the lower of cost and net realisable value.

(b) Recoverability of trade receivables

As at 30 April 2022, gross third parties trade receivables of the Group and the Company were RM156,233,000 and RM131,855,000 respectively, as disclosed in Note 13 to the financial statements.

We have focused on the audit risk that carrying amount of trade receivables may not be recovered. Assessment on recoverability of trade receivables requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Audit response

Our audit procedures included the following:

- (i) assessed the adequacy of credit impaired for significant outstanding balances exceeding the credit term granted or are otherwise old;
- (ii) recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group and the Company;
- (iii) recomputed the correlation coefficient between the macroeconomic indicators used by the Group and the Company, and historical credit losses to determine the appropriateness of the forward-looking information used by the Group and the Company; and
- (iv) inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF LB ALUMINIUM BERHAD
(INCORPORATED IN MALAYSIA) (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**Key Audit Matters (cont'd)****Key Audit Matters of the Group and of the Company (cont'd)****(c) Impairment assessment of cost of investment in subsidiaries**

As at 30 April 2022, the Company's carrying amounts of investments in subsidiaries amounted to RM21,685,000 as disclosed in Note 7 to the financial statements.

We have focused on the audit risk that the carrying amounts of cost of investments in subsidiaries may not be recovered. Determination of the recoverable amounts of cost of investments in subsidiaries requires significant judgement and estimates about the future results and key assumptions applied to cash flow projections of the subsidiaries. These key assumptions include revenue growth rates, expenses growth rates as well as determining an appropriate pre-tax discount rate to be used.

Audit response

Our audit procedures included the following:

- (i) challenged management on the basis of determining the probability-weighted forecasted cash flows of the subsidiaries;
- (ii) verified the pre-tax discount rate by comparison to market data and relevant risk factors; and
- (iii) performed sensitivity analysis to stress test the key assumptions used in the future cash flows of the impairment model.

(d) Impairment assessment of amounts owing by subsidiaries

As at 30 April 2022, gross amounts owing by subsidiaries of the Company were RM69,976,000 as disclosed in Note 13 to the financial statements.

We have focused on the audit risk that carrying amount of amounts owing by subsidiaries may not be recovered. Assessment on recoverability of amounts owing by subsidiaries requires management to exercise significant judgement in determining the probability of default by subsidiaries incorporating appropriate forward-looking information.

Audit response

Our audit procedures included the following:

- (i) recomputed the probability of default using historical data and forward-looking information adjustment;
- (ii) recomputed the correlation coefficient between the macroeconomic indicators used by the Company and historical losses to determine the appropriateness of the forward-looking information used by the Company;
- (iii) inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses;
- (iv) assessed the appropriateness of the indicators of significant increase in credit risk applied by management and the resultant basis for classification of balances into respective stages; and
- (v) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LB ALUMINIUM BERHAD (INCORPORATED IN MALAYSIA) (CONT'D)

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LB ALUMINIUM BERHAD
(INCORPORATED IN MALAYSIA) (CONT'D)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd)

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF LB ALUMINIUM BERHAD
(INCORPORATED IN MALAYSIA) (CONT'D)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
LLP0018825-LCA & AF 0206
Chartered Accountants

Kuala Lumpur
15 August 2022

Ng Soe Kei
02982/08/2023 J
Chartered Accountant



STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	184,557	188,507	155,328	158,900
Right-of-use assets	6	9,404	10,684	6,962	8,966
Investments in subsidiaries	7	-	-	21,685	16,314
Investment in an associate	8	29,544	24,539	6,000	6,000
Other investment	9	1,197	1,596	1,197	1,596
Goodwill on consolidation	10	757	2,490	-	-
Amounts owing by subsidiaries	13	-	-	53,822	60,556
Deferred tax assets	11	-	15	-	-
		225,459	227,831	244,994	252,332
Current assets					
Inventories	12	389,223	186,681	168,011	101,996
Trade and other receivables	13	172,152	164,102	154,515	103,865
Current tax assets		160	293	-	-
Short term fund	14	28,271	27,791	28,271	27,791
Cash and bank balances	15	30,298	36,470	23,976	30,648
		620,104	415,337	374,773	264,300
Asset classified as held for sale	16	-	24,672	-	-
		620,104	440,009	374,773	264,300
TOTAL ASSETS		845,563	667,840	619,767	516,632
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	17	125,771	125,771	125,771	125,771
Reserves	18	237,082	206,067	174,645	150,910
		362,853	331,838	300,416	276,681
Non-controlling interests	7(e)	(743)	681	-	-
TOTAL EQUITY		362,110	332,519	300,416	276,681



STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2022 (CONT'D)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
LIABILITIES					
Non-current liabilities					
Amounts owing to a corporate shareholder of a subsidiary	21	14,561	9,271	-	-
Borrowings	19	30,160	39,180	4,440	5,920
Deferred tax liabilities	11	20,844	20,013	20,096	18,953
Lease liabilities	6	1,227	2,275	853	2,471
		66,792	70,739	25,389	27,344
Current liabilities					
Trade and other payables	21	181,094	109,293	81,149	67,706
Borrowings	19	230,020	149,505	207,660	139,540
Lease liabilities	6	1,281	1,495	1,700	2,197
Derivative financial liabilities	22	-	31	-	31
Current tax liabilities		4,266	4,258	3,453	3,133
		416,661	264,582	293,962	212,607
TOTAL LIABILITIES		483,453	335,321	319,351	239,951
TOTAL EQUITY AND LIABILITIES		845,563	667,840	619,767	516,632

The accompanying notes form an integral part of the financial statements.



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	23	686,616	527,175	631,589	473,816
Cost of sales		(555,498)	(436,241)	(518,337)	(402,550)
Gross profit		131,118	90,934	113,252	71,266
Other operating income	24	8,905	5,412	10,895	8,223
Marketing and distribution expenses		(50,714)	(30,105)	(45,945)	(25,481)
Administrative expenses		(25,115)	(24,320)	(18,068)	(19,216)
Net (losses)/gains on impairment of financial assets	26	(6,034)	2,837	(4,142)	811
Other operating expenses		(4,841)	(1,452)	(3,034)	(1,417)
Finance costs	25	(6,956)	(5,269)	(7,362)	(7,669)
Share of results of an associate	8	5,005	10,980	-	-
Profit before tax	26	51,368	49,017	45,596	26,517
Tax expense	27	(12,830)	(8,456)	(10,990)	(6,074)
Profit for the financial year		38,538	40,561	34,606	20,443
Other comprehensive income, net of tax					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translations		164	92	-	-
Total comprehensive income for the financial year		38,702	40,653	34,606	20,443
Profit/(Loss) attributable to:					
Owners of the parent		41,722	41,209	34,606	20,443
Non-controlling interests	7(e)	(3,184)	(648)	-	-
		38,538	40,561	34,606	20,443
Total comprehensive income/(loss) attributable to:					
Owners of the parent		41,886	41,301	34,606	20,443
Non-controlling interests	7(e)	(3,184)	(648)	-	-
		38,702	40,653	34,606	20,443
Earnings per ordinary share attributable to owners of the parent (sen):					
Basic and diluted	28	9.59	9.48		

The accompanying notes form an integral part of the financial statements.



STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

Group	Note	Share capital RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 1 May 2020		125,771	4,422	163,259	293,452	732	294,184
Profit/(Loss) for the financial year		-	-	41,209	41,209	(648)	40,561
Other comprehensive income, net of tax		-	92	-	92	-	92
Total comprehensive income/(loss)		-	92	41,209	41,301	(648)	40,653
Transactions with owners							
Dilution of interest in a subsidiary	7(d)	-	-	4	4	(4)	-
Dividend paid	29	-	-	(2,485)	(2,485)	-	(2,485)
Subscription of interest in a subsidiary by non-controlling interests	7(d)	-	-	(434)	(434)	601	167
Total transactions with owners		-	-	(2,915)	(2,915)	597	(2,318)
Balance as at 30 April 2021		125,771	4,514	201,553	331,838	681	332,519
Balance as at 1 May 2021		125,771	4,514	201,553	331,838	681	332,519
Profit/(Loss) for the financial year		-	-	41,722	41,722	(3,184)	38,538
Other comprehensive income, net of tax		-	164	-	164	-	164
Total comprehensive income/(loss)		-	164	41,722	41,886	(3,184)	38,702
Transactions with owners							
Dividend paid	29	-	-	(10,871)	(10,871)	-	(10,871)
Subscription of interest in subsidiaries by non-controlling interests		-	-	-	-	1,760	1,760
Total transactions with owners		-	-	(10,871)	(10,871)	1,760	(9,111)
Balance as at 30 April 2022		125,771	4,678	232,404	362,853	(743)	362,110



STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONT'D)

Company		Share capital RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 May 2020		125,771	132,952	258,723
Profit for the financial year		-	20,443	20,443
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	20,443	20,443
Transaction with owners				
Dividend paid	29	-	(2,485)	(2,485)
Total transaction with owners		-	(2,485)	(2,485)
Balance as at 30 April 2021		125,771	150,910	276,681
Balance as at 1 May 2021		125,771	150,910	276,681
Profit for the financial year		-	34,606	34,606
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	34,606	34,606
Transaction with owners				
Dividend paid	29	-	(10,871)	(10,871)
Total transaction with owners		-	(10,871)	(10,871)
Balance as at 30 April 2022		125,771	174,645	300,416

The accompanying notes form an integral part of the financial statements.



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		51,368	49,017	45,596	26,517
Adjustments for:					
Depreciation of:					
– property, plant and equipment	5	12,304	12,556	11,235	11,517
– right-of-use assets	6	1,540	3,052	2,189	2,030
– investment property		-	121	-	-
Dividend income from:					
– other investment	24	(47)	(42)	(47)	(42)
– subsidiaries	24	-	-	(4,474)	(1,060)
Fair value (gain)/loss on:					
– derivative instruments	26	(31)	31	(31)	31
– other investment	26	399	(745)	399	(745)
– short term fund	26	(87)	-	(87)	-
Impairment losses on:					
– trade receivables	13(g)	7,549	1,410	5,933	915
– other receivables	13(h)	353	1	-	-
– property, plant and equipment	5	331	-	-	-
– goodwill on consolidation	10	1,733	-	-	-
– amount owing by subsidiaries	13(h)	-	-	321	1,571
– investments in subsidiaries		-	-	1,468	-
(Reversal of inventories written down)/written down of inventories	12(e)	(16)	19	-	-
Interest income:					
– deposits with licensed banks	24	(884)	(785)	(663)	(733)
– amounts owing by subsidiaries	24	-	-	(2,012)	(2,820)
Interest expense	25	6,956	5,269	7,362	7,669
Loss/(gain) on reassessments and modification of leases		75	37	(9)	4
Net (gain)/loss on disposals of:					
– property, plant and equipment		(31)	10	(31)	(338)
– asset classified as held for sale		(4,204)	-	-	-
Net unrealised (gain)/loss on foreign exchange	26	(1,360)	268	(1,349)	256
Reversal of impairment losses on:					
– trade receivables	13(g)	(1,730)	(4,218)	(403)	(3,008)
– other receivables	13(h)	(138)	(30)	(138)	(289)
– amounts owing by subsidiaries	13(h)	-	-	(1,571)	-
– cash and bank balances	15(d)	(1)	-	-	-
Share of profit of an associate	8	(5,005)	(10,980)	-	-
Bad debts written off		1,565	-	410	-
Written off of:					
– inventories	12(d)	883	99	883	94
– other receivables	26	-	189	-	189
– property, plant and equipment	5	11	322	10	299
Operating profit before changes in working capital carried forward		71,533	55,601	64,991	42,057



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONT'D)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)					
Operating profit before changes in working capital brought forward		71,533	55,601	64,991	42,057
Changes in working capital:					
Inventories		(203,408)	(32,888)	(66,897)	(15,649)
Trade and other receivables		(14,068)	(26,795)	(39,837)	(21,311)
Trade and other payables		76,401	20,053	8,857	13,533
Amounts owing by subsidiaries		-	-	5,847	389
Cash (used in)/from operations		(69,542)	15,971	(27,039)	19,019
Tax paid		(11,851)	(4,885)	(9,527)	(2,504)
Tax refunded		-	1	-	-
Net cash (used in)/generated from operating activities		(81,393)	11,087	(36,566)	16,515
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of additional interest in subsidiaries		-	-	(3,240)	-
Advances (to)/from subsidiaries		-	-	(13,150)	3,656
Dividends received		47	42	47	42
Interest received		884	785	663	733
Net change in short term fund	14	(480)	(14,464)	(480)	(14,464)
Proceeds from disposals of:					
- property, plant and equipment		68	68	68	693
- asset classified as held for sale		28,876	-	-	-
Purchase of property, plant and equipment	5	(8,705)	(8,255)	(7,710)	(7,308)
Subscription of interest in a subsidiary by non-controlling interests		1,760	167	-	-
Net cash generated from/(used in) investing activities		22,450	(21,657)	(23,802)	(16,648)



STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONT'D)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		(6,781)	(5,050)	(4,710)	(4,014)
Dividend paid	29	(10,871)	(2,485)	(10,871)	(2,485)
Dividend income from subsidiaries		-	-	4,474	1,060
Payments for lease liabilities	6	(1,772)	(2,885)	(2,489)	(2,318)
Drawdown of term loan		-	7,400	-	7,400
Repayment of term loan		(3,800)	-	(1,480)	-
Net repayment of revolving credits		(7,000)	(4,000)	(7,000)	(4,000)
Net drawdown of bankers' acceptances		74,200	13,765	75,120	13,565
Net cash generated from financing activities		43,976	6,745	53,044	9,208
Net (decrease)/increase in cash and cash equivalents		(14,967)	(3,825)	(7,324)	9,075
Effects of exchange rate changes on cash and cash equivalents		699	679	652	655
Reversal of impairment loss on cash and cash equivalents		1	-	-	-
Cash and cash equivalents at beginning of the financial year		31,865	35,011	30,648	20,918
Cash and cash equivalents at end of the financial year	15	17,598	31,865	23,976	30,648

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Borrowings (excluded bank overdrafts)					
Balance as at 1 May		184,080	166,915	145,460	128,495
Cash flows		63,400	17,165	66,640	16,965
Balance as at 30 April		247,480	184,080	212,100	145,460
Lease liabilities					
Balance as at 1 May		3,770	4,538	4,668	5,406
Cash flows:					
Payments of lease liabilities		(1,772)	(2,885)	(2,489)	(2,318)
Non-cash flows:					
- Reassessments and modification		(78)	1,642	(216)	1,048
- Unwinding of interest		175	219	198	276
- Additions of lease liabilities		413	256	392	256
Balance as at 30 April	6	2,508	3,770	2,553	4,668

The accompanying notes form an integral part of the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022

1. CORPORATE INFORMATION

LB Aluminium Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

The principal place of business of the Company is located at Lot 11, Jalan Perusahaan 1, Kawasan Perusahaan Beranang, 43700 Beranang, Selangor Darul Ehsan.

The consolidated financial statements for the financial year ended 30 April 2022 comprise the Company and its subsidiaries and the interest of the Group in an associate. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 15 August 2022.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of manufacturing, marketing and trading of aluminium extrusions and other metal products. The principal activities and details of the subsidiaries and an associate are disclosed in Notes 7 and 8 to the financial statements. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of the new MFRSs during the financial year. The new MFRSs and amendments to MFRSs adopted during the financial year are disclosed in Note 36 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

4. OPERATING SEGMENTS

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

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

(a) Segment assets exclude tax assets. Segment liabilities exclude tax liabilities. Even though borrowings arise from financing activities, they are allocated to the segments based on relevant factors. Details are provided in the reconciliations from segment assets and liabilities to the position of the Group.

2022	Note	Aluminium RM'000	Property development RM'000	Total RM'000
Revenue				
Total revenue		753,084	-	753,084
Inter-segment revenue		(66,468)	-	(66,468)
Revenue from external customers		686,616	-	686,616
Results				
Interest income		869	15	884
Finance costs		(4,967)	(1,989)	(6,956)
Share of results of an associate		-	5,005	5,005
Depreciation of property, plant and equipment		(12,251)	(53)	(12,304)
Depreciation of right-of-use assets		(1,488)	(52)	(1,540)
Other items of income	(a)(i)	8,021	-	8,021
Other expenses	(a)(ii)	(12,902)	-	(12,902)
Segment profit/(loss) before tax		52,167	(799)	51,368
Tax expense		(12,830)	-	(12,830)
Segment assets		605,387	240,016	845,403
Segment liabilities		305,078	153,265	458,343



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

- (a) Segment assets exclude tax assets. Segment liabilities exclude tax liabilities. Even though borrowings arise from financing activities, they are allocated to the segments based on relevant factors. Details are provided in the reconciliations from segment assets and liabilities to the position of the Group. (cont'd)

2021	Note	Aluminium RM'000	Property development RM'000	Total RM'000
Revenue				
Total revenue		575,251	-	575,251
Inter-segment revenue		(48,076)	-	(48,076)
Revenue from external customers				
		527,175	-	527,175
Results				
Interest income		758	27	785
Finance costs		(5,233)	(36)	(5,269)
Share of results of an associate		-	10,980	10,980
Depreciation of property, plant and equipment		(12,531)	(25)	(12,556)
Depreciation of right-of-use assets		(3,022)	(30)	(3,052)
Depreciation of investment property		(121)	-	(121)
Other items of income	(a)(i)	4,627	-	4,627
Other expenses	(a)(ii)	(3,036)	-	(3,036)
Segment profit before tax				
		39,254	9,763	49,017
Tax expense				
		8,456	-	8,456
Segment assets				
		553,449	114,083	667,532
Segment liabilities				
		229,028	82,022	311,050

- (i) Other items of income consist of the following:

	Group	
	2022 RM'000	2021 RM'000
Dividend income from other investment	47	42
Gain on disposal of:		
- property, plant and equipment	31	-
- asset classified as held for sale	4,204	-
Insurance claim recovery	306	-
Fair value gain on other investment	-	745
Fair value gain on derivative instruments	31	-
Fair value gain on short term fund	87	-
Realised gain on foreign exchange	56	18
Rental income	735	1,553
Sundry income	1,164	2,269
Unrealised gain on foreign exchange	1,360	-
	8,021	4,627



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

(a) Segment assets exclude tax assets. Segment liabilities exclude tax liabilities. Even though borrowings arise from financing activities, they are allocated to the segments based on relevant factors. Details are provided in the reconciliations from segment assets and liabilities to the position of the Group. (cont'd)

(ii) Other expenses consist of the following:

	Group	
	2022 RM'000	2021 RM'000
Bad debts written off	1,565	-
Fair value losses on:		
- derivative instruments	-	31
- other investment	399	-
Impairment losses on:		
- trade receivables	7,549	1,410
- other receivables	353	1
- property, plant and equipment	331	-
- goodwill on consolidation	1,733	-
Inventories written down	-	19
Loss on disposals of property, plant and equipment	-	10
Realised loss on foreign exchange	31	608
Rental expenses on:		
- premises	16	40
- forklift and other equipment	31	39
Unrealised loss on foreign exchange	-	268
Written off of:		
- inventories	883	99
- property, plant and equipment	11	322
- other receivables	-	189
	12,902	3,036

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows:

	Group	
	2022 RM'000	2021 RM'000
Revenue		
Total revenue for reportable segments	753,084	575,251
Elimination of inter-segment revenue	(66,468)	(48,076)
Revenue of the Group per statements of profit or loss and other comprehensive income	686,616	527,175



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

- (b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities to the corresponding amounts of the Group are as follows (cont'd):

	Group	
	2022 RM'000	2021 RM'000
Profit for the financial year		
Total profit or loss for reportable segments	51,368	49,017
Tax expense	(12,830)	(8,456)
	<u>38,538</u>	<u>40,561</u>
Profit for the financial year of the Group per statements of profit or loss and other comprehensive income	<u>38,538</u>	<u>40,561</u>
Assets		
Total assets for reportable segments	845,403	667,532
Tax assets	160	308
	<u>845,563</u>	<u>667,840</u>
Assets of the Group per statements of financial position	<u>845,563</u>	<u>667,840</u>
Liabilities		
Total liabilities for reportable segments	458,343	311,050
Tax liabilities	25,110	24,271
	<u>483,453</u>	<u>335,321</u>
Liabilities of the Group per statements of financial position	<u>483,453</u>	<u>335,321</u>

- (c) Geographical information

The Group operates mainly in Malaysia and Singapore.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers. The composition of each geographical segment is Malaysia, Singapore, North America and others⁽¹⁾.

⁽¹⁾ Others represent the sales of finished goods to Europe and South Asia, Australia and New Zealand as well as South East Asia.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

(c) Geographical information (cont'd)

Segment assets are based on the geographical location of the assets of the Group. The non-current assets do not include deferred tax assets.

	Group	
	2022 RM'000	2021 RM'000
Revenue from external customers		
Malaysia	409,375	343,404
Singapore	53,699	36,160
North America	176,444	112,343
Others	47,098	35,268
	686,616	527,175
Non-current assets		
Malaysia	223,742	226,017
Singapore	1,717	1,799
	225,459	227,816

Major customer

There is no customer with revenue equal to or more than ten (10) percent of the revenue of the Group.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.5.2021 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Impairment loss RM'000	Depreciation charge for the financial year RM'000	Exchange translation differences RM'000	Balance as at 30.4.2022 RM'000
Carrying amount								
Freehold land	23,555	-	-	-	-	-	-	23,555
Buildings	80,317	790	-	-	-	(2,045)	27	79,089
Plant and machinery	76,715	3,463	-	(4)	(331)	(8,825)	-	71,018
Motor vehicles	1,317	1,410	(35)	-	-	(368)	-	2,324
Office equipment	1,212	1,189	(2)	(6)	-	(281)	-	2,112
Furniture and fittings	5,390	255	-	-	-	(785)	1	4,861
Dies and moulds	1	-	-	(1)	-	-	-	-
Assets work-in-progress	-	1,598	-	-	-	-	-	1,598
	188,507	8,705	(37)	(11)	(331)	(12,304)	28	184,557

<----- At 30.4.2022 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	23,555	-	-	23,555
Buildings	99,662	(20,338)	(235)	79,089
Plant and machinery	212,652	(140,177)	(1,457)	71,018
Motor vehicles	7,500	(5,176)	-	2,324
Office equipment	9,500	(7,388)	-	2,112
Furniture and fittings	14,946	(10,085)	-	4,861
Assets work-in-progress	1,598	-	-	1,598
	369,413	(183,164)	(1,692)	184,557



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Balance as at 1.5.2020 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Exchange translation differences RM'000	Balance as at 30.4.2021 RM'000
Carrying amount							
Freehold land	23,555	-	-	-	-	-	23,555
Buildings	80,266	2,044	-	-	(2,007)	14	80,317
Plant and machinery	80,762	5,311	-	(317)	(9,041)	-	76,715
Motor vehicles	1,681	176	(75)	-	(465)	-	1,317
Office equipment	1,056	396	(2)	(4)	(234)	-	1,212
Furniture and fittings	5,872	328	(1)	(1)	(809)	1	5,390
Dies and moulds	1	-	-	-	-	-	1
	193,193	8,255	(78)	(322)	(12,556)	15	188,507

<----- At 30.4.2021 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	23,555	-	-	23,555
Buildings	98,833	(18,281)	(235)	80,317
Plant and machinery	209,969	(132,128)	(1,126)	76,715
Motor vehicles	6,390	(5,073)	-	1,317
Office equipment	8,581	(7,369)	-	1,212
Furniture and fittings	14,750	(9,360)	-	5,390
Dies and moulds	61	(60)	-	1
	362,139	(172,271)	(1,361)	188,507



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Balance as at 1.5.2021 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.4.2022 RM'000
Carrying amount						
Freehold land	8,710	-	-	-	-	8,710
Buildings	73,748	790	-	-	(1,800)	72,738
Plant and machinery	69,431	3,438	-	(4)	(8,204)	64,661
Motor vehicles	1,131	1,410	(35)	-	(312)	2,194
Office equipment	788	553	(2)	(6)	(190)	1,143
Furniture and fittings	5,092	211	-	-	(729)	4,574
Assets work-in-progress	-	1,308	-	-	-	1,308
	158,900	7,710	(37)	(10)	(11,235)	155,328

<----- At 30.4.2022 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	8,710	-	-	8,710
Buildings	90,276	(17,538)	-	72,738
Plant and machinery	198,214	(132,427)	(1,126)	64,661
Motor vehicles	6,729	(4,535)	-	2,194
Office equipment	7,981	(6,838)	-	1,143
Furniture and fittings	13,129	(8,555)	-	4,574
Assets work-in-progress	1,308	-	-	1,308
	326,347	(169,893)	(1,126)	155,328



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Balance as at 1.5.2020 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.4.2021 RM'000
Carrying amount						
Freehold land	8,710	-	-	-	-	8,710
Buildings	73,742	1,770	-	-	(1,764)	73,748
Plant and machinery	73,407	5,021	(269)	(297)	(8,431)	69,431
Motor vehicles	1,433	137	(75)	-	(364)	1,131
Office equipment	909	87	(8)	-	(200)	788
Furniture and fittings	5,561	293	(2)	(2)	(758)	5,092
Dies and moulds	1	-	(1)	-	-	-
	163,763	7,308	(355)	(299)	(11,517)	158,900

<----- At 30.4.2021 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	8,710	-	-	8,710
Buildings	89,486	(15,738)	-	73,748
Plant and machinery	194,857	(124,300)	(1,126)	69,431
Motor vehicles	5,619	(4,488)	-	1,131
Office equipment	7,591	(6,803)	-	788
Furniture and fittings	12,917	(7,825)	-	5,092
	319,180	(159,154)	(1,126)	158,900



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.
- (b) Depreciation is calculated to write down the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the various business segments of the Group. The principal depreciation periods and annual rates used are as follows:

Buildings		2%
Plant and machinery	Over the useful lives of 10 to 25 years	
Motor vehicles		10% – 20%
Office equipment		10% – 25%
Furniture and fittings		10%

Freehold land has unlimited useful life and is not depreciated.

Property, plant and equipment in progress represent office equipment and plant and machinery. Property, plant and equipment in progress are not depreciated until such time when the assets are available for use.

- (c) Impairment assessment

The Group assesses impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, i.e. the carrying amount of the asset is more than the recoverable amount.

Impairment loss on property, plant and equipment of the Group of RM331,000 (2021: nil) was recognised during the financial year. Adverse adjustments were made to the forecasted operating cash flows of a subsidiary in the value-in-use calculation. The recoverable amount was determined using pre-tax discount rate of 6.72% (2021: 5.18%).



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Hostels RM'000	Motor vehicles RM'000	Total RM'000
Group						
Carrying amount						
Balance as at 1 May 2021	7,029	158	1,634	1,401	462	10,684
Reassessments and modification	-	155	-	(291)	(17)	(153)
Additions	-	-	-	413	-	413
Depreciation	(151)	(235)	(202)	(658)	(294)	(1,540)
Balance as at 30 April 2022	6,878	78	1,432	865	151	9,404
Carrying amount						
Balance as at 1 May 2020	7,179	365	2,043	1,421	867	11,875
Reassessments and modification	-	1,661	(180)	202	(78)	1,605
Additions	-	-	-	256	-	256
Depreciation	(150)	(1,868)	(229)	(478)	(327)	(3,052)
Balance as at 30 April 2021	7,029	158	1,634	1,401	462	10,684
Company						
Carrying amount						
Balance as at 1 May 2021	4,032	1,732	1,634	1,291	277	8,966
Reassessments and modification	-	-	-	(207)	-	(207)
Additions	-	-	-	392	-	392
Depreciation	(83)	(1,039)	(203)	(622)	(242)	(2,189)
Balance as at 30 April 2022	3,949	693	1,431	854	35	6,962
Carrying amount						
Balance as at 1 May 2020	4,115	1,794	1,837	1,336	614	9,696
Reassessments and modification	-	978	-	144	(78)	1,044
Additions	-	-	-	256	-	256
Depreciation	(83)	(1,040)	(203)	(445)	(259)	(2,030)
Balance as at 30 April 2021	4,032	1,732	1,634	1,291	277	8,966



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Lease liabilities

	Buildings RM'000	Plant and machinery RM'000	Hostels RM'000	Motor vehicles RM'000	Total RM'000
Group					
Carrying amount					
Balance as at 1 May 2021	452	1,306	1,464	548	3,770
Reassessments and modification	155	-	(186)	(47)	(78)
Additions	-	-	413	-	413
Lease payments	(259)	(470)	(723)	(320)	(1,772)
Interest expense	15	60	83	17	175
Balance as at 30 April 2022	363	896	1,051	198	2,508

Carrying amount

Balance as at 1 May 2020	384	1,752	1,468	934	4,538
Reassessments and modification	1,514	-	196	(68)	1,642
Additions	-	-	256	-	256
Lease payments	(1,470)	(529)	(536)	(350)	(2,885)
Interest expense	24	83	80	32	219
Balance as at 30 April 2021	452	1,306	1,464	548	3,770

Company

Carrying amount

Balance as at 1 May 2021	1,706	1,306	1,349	307	4,668
Reassessments and modification	-	-	(186)	(30)	(216)
Additions	-	-	392	-	392
Lease payments	(1,060)	(470)	(683)	(276)	(2,489)
Interest expense	52	60	78	8	198
Balance as at 30 April 2022	698	896	950	9	2,553

Carrying amount

Balance as at 1 May 2020	1,693	1,687	1,380	646	5,406
Reassessments and modification	978	-	138	(68)	1,048
Additions	-	-	256	-	256
Lease payments	(1,061)	(462)	(500)	(295)	(2,318)
Interest expense	96	81	75	24	276
Balance as at 30 April 2021	1,706	1,306	1,349	307	4,668



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Represented by:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current liabilities	1,281	1,495	1,700	2,197
Non-current liabilities	1,227	2,275	853	2,471
	2,508	3,770	2,553	4,668

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Lease liabilities owing to financial institutions	188	222	-	-
Lease liabilities owing to non-financial institutions	2,320	3,548	2,553	4,668
	2,508	3,770	2,553	4,668

- (a) The Group and the Company lease a number of buildings, plant and machinery, hostels and motor vehicles in the locations, which it operates with fixed periodic rent over the lease term.
- (b) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

The Group and the Company have certain leases of buildings, machine and hostels with lease term of 12 months or less, and low value leases of office equipment of RM20,000 and below. The Group and the Company apply the "short-term lease" and "lease of low-value assets" exemptions for these leases.

- (c) The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land	Over the lease period
Buildings	2 to 3 years
Plant and machinery	3 to 5 years
Hostels	2 to 10 years
Motor vehicles	2 to 11 years



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(d) The following are the amounts recognised in profit or loss:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Depreciation charge of right-of-use assets (included in cost of sales, administrative expenses and marketing and distribution expenses)	1,540	3,052	2,189	2,030
Interest expense on lease liabilities (included in finance cost)	175	219	198	276
Expense relating to short-term leases (included in cost of sales and administrative expenses)	16	40	16	34
Expense relating to leases of low-value assets (included in cost of sales, administrative expenses and marketing and distribution expenses)	31	39	29	37
	1,762	3,350	2,432	2,377

(e) The lease liabilities of the Group and of the Company bear the following interest rates per annum:

	Group		Company	
	2022 %	2021 %	2022 %	2021 %
Lease liabilities	2.52 - 5.50	2.52 - 5.50	4.49 - 5.50	4.49 - 5.50

(f) Management exercises judgement in determining the incremental borrowing rates whenever the implicit rates of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.

(g) Information on financial risks of lease liabilities is disclosed in Note 35 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
At cost:		
- Unquoted shares in Malaysia	22,920	16,081
- Unquoted shares outside Malaysia	233	233
	23,153	16,314
Less: Impairment losses of investments in unquoted shares in Malaysia	(1,468)	-
	21,685	16,314

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

- (b) Details of the subsidiaries are as follows:

Name of company	Principle place of business/ Country of incorporation	Effective interest in equity held by the Group		Principal activities
		2022 %	2021 %	
ALBE Marketing Sdn. Bhd.	Malaysia	100.00	100.00	Marketing and trading of aluminium hardware and other fittings
ALBE Metal Sdn. Bhd.	Malaysia	100.00	100.00	Trading of aluminium sheets and other metal products
LB Aluminium (Sarawak) Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing, marketing and trading of aluminium extrusion
LB Aluminium (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	100.00	100.00	Retail and trading of aluminium extrusion and accessories
Rank Metal Sdn. Bhd.	Malaysia	100.00	100.00	Property holding
Omega Pesona Sdn. Bhd.	Malaysia	100.00	100.00	Property holding
Poly Acres Sdn. Bhd.	Malaysia	100.00	100.00	Property holding
Facade Performance Lab Sdn. Bhd.	Malaysia	100.00	100.00	Providing performance tests for windows, doors and facades



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Details of the subsidiaries are as follows (cont'd):

Name of company	Principle place of business/ Country of incorporation	Effective interest in equity held by the Group		Principal activities
		2022 %	2021 %	
Citajaya Kuasa Sdn. Bhd. ⁽¹⁾ ("CKSB")	Malaysia	51.00	51.00	Investment holding
Greentech Paramount Sdn. Bhd. ("GPSB")	Malaysia	74.00	74.00	Investment holding
SEMS Sdn. Bhd. ("SEMS")	Malaysia	60.00	60.00	Manufacturing of metal products, metal stamping and engineering works
Subsidiary of LB Aluminium (Sarawak) Sdn. Bhd.				
LB Sarawak Industries Sdn. Bhd.	Malaysia	100.00	100.00	Property holding
Subsidiary of CKSB				
Contras Build Sdn. Bhd. ^{(1) (2)} ("CBSB")	Malaysia	40.80	40.80	Property development
Subsidiary of GPSB				
Pembinaan Serta Hebat Sdn. Bhd. ("PSHSB") ⁽²⁾	Malaysia	42.55	42.55	Property development

⁽¹⁾ Subsidiaries not audited by BDO PLT or member firms.

⁽²⁾ The Group considers that it controls CBSB and PSHSB even though it owns less than fifty percent (50%) of the voting rights. This is due to the Group having control over the Board and the power to govern the relevant activities of these entities.

(c) During the financial year ended 30 April 2022:

- (i) On 27 September 2021, the Company acquired 1,020,000 ordinary shares, representing 51% equity interest in the enlarged share capital of CKSB for cash consideration of RM1,020,000. The equity interest in the subsidiary remained at 51%. The financial effects of this transaction amounting to RM980,000, is credited to non-controlling interests as disclosed in the consolidated statement of changes in equity.
- (ii) On 20 December 2021, the Company acquired 2,219,926 ordinary shares, representing 74% equity interest in the enlarged share capital of GPSB for cash consideration of RM2,219,926. The equity interest in the subsidiary remained at 74%. The financial effects of this transaction, amounting to RM779,974, is credited to non-controlling interest as disclosed in the consolidated statement of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) During the financial year ended 30 April 2022 (cont'd):

(iii) On 22 April 2022, the Company subscribed for 2,100,000 new ordinary shares in Omega Pesona Sdn. Bhd., a wholly-owned subsidiary of the Company. The amount owing by the subsidiary amounting to RM2,100,000 was capitalised as additional cost of investment of the Company in the subsidiary.

(iv) On 22 April 2022, the Company subscribed for 1,499,998 new ordinary shares in Facade Performance Lab Sdn. Bhd., a wholly-owned subsidiary of the Company. The amount owing by the subsidiary amounting to RM1,499,998 was capitalised as additional cost of investment of the Company in the subsidiary.

(d) In the previous financial year ended 30 April 2021:

(i) On 14 January 2021, GPSB allotted 99 new ordinary shares representing 99% of the enlarged share capital of GPSB for a total cash consideration of RM99. The allotment of shares resulted in a dilution of the Company's shareholding in GPSB from 100% to 74%. The financial effects of this transaction, amounting to RM4,000, was credited to retained earnings as disclosed in the consolidated statement of changes in equity. The transaction had been completed in the previous financial year.

(ii) On 18 January 2021, GPSB subscribed an additional 7.44% of equity interest comprising 927,500 ordinary shares in PSHSB for a cash consideration of RM927,500. The transaction was completed in the previous financial year and resulted in an increase in direct shareholding from 50.06% to 57.50%. Accordingly, the issued and paid up ordinary share capital of PSHSB increased from RM4,005,000 to RM5,100,000 respectively. However, as a result of the shares allotment by GPSB on 14 January 2021, the Group's effective interest in PSHSB diluted by 7.51% from 50.06% to 42.55% and the financial effects of this transaction, amounting to RM601,000, was credited to non-controlling interests as disclosed in the consolidated statement of changes in equity.

(e) Subsidiaries of the Group that have non-controlling interests ("NCI") are as follows:

2022	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	49.00%	59.20%	57.45%	26.00%	40.00%	
Carrying amount of NCI	974	445	(2,904)	199	543	(743)
(Loss)/Profit allocated to NCI	(17)	(2)	(2,852)	(489)	176	(3,184)
Total comprehensive (loss)/income attributable to NCI	(17)	(2)	(2,852)	(489)	176	(3,184)


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(e) Subsidiaries of the Group that have non-controlling interests ("NCI") are as follows (cont'd):

2021	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	49.00%	59.20%	57.45%	26.00%	40.00%	
Carrying amount of NCI	11	447	(52)	(92)	367	681
(Loss)/Profit allocated to NCI	(34)	(3)	(684)	(89)	162	(648)
Total comprehensive (loss)/income attributable to NCI	(34)	(3)	(684)	(89)	162	(648)

(f) The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:

2022	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000
Assets and liabilities					
Non-current assets	2,000	-	915	52,783	1,638
Current assets	42,171	44,570	168,285	30	1,842
Non-current liabilities	-	-	(25,884)	(52,043)	(173)
Current liabilities	(42,184)	(42,162)	(148,372)	(5)	(1,950)
Net assets/(liabilities)	1,987	2,408	(5,056)	765	1,357
Results					
Revenue	-	-	-	-	4,293
(Loss)/Profit for the financial year	(35)	(3)	(4,966)	(1,880)	442
Total comprehensive (loss)/profit	(35)	(3)	(4,966)	(1,880)	442
Cash flows					
Cash flows (used in)/from operating activities	(2,461)	(3,298)	(60,398)	4,943	(2,798)
Cash flows (used in)/from investing activities	(2,060)	-	(841)	(7,913)	2,916
Cash flows from/(used in) financing activities	4,526	3,375	53,145	3,000	(278)
Net increase/(decrease) in cash and cash equivalents	5	77	(8,094)	30	(160)



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (f) The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows (cont'd):

2021	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000
Assets and liabilities					
Non-current assets	2,000	-	415	22,174	1,581
Current assets	38,790	41,201	73,570	-	918
Non-current liabilities	-	-	(35,208)	(22,525)	(244)
Current liabilities	(40,769)	(38,790)	(38,867)	(4)	(1,340)
Net assets/(liabilities)	21	2,411	(90)	(355)	915
Results					
Revenue	-	-	-	-	4,813
(Loss)/Profit for the financial year	(70)	(6)	(1,248)	(341)	405
Total comprehensive (loss)/profit	(70)	(6)	(1,248)	(341)	405
Cash flows					
Cash flows (used in)/from operating activities	(16,936)	(19,314)	(14,253)	(9,130)	552
Cash flows (used in)/from investing activities	-	-	(6)	9,031	(61)
Cash flows from/(used in) financing activities	16,949	19,323	(2,347)	99	(363)
Net increase/(decrease) in cash and cash equivalents	13	9	(16,606)	-	128

- (g) The Company has assessed for indicators of impairment for its investments in subsidiaries during the financial year. In doing this, management considered the current environment and performance of the Cash Generating Units ("CGUs"). Management has considered the losses in certain subsidiaries in the current financial year as impairment indicators.

Management has made estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining their recoverable amounts using the value-in-use model. These key assumptions include revenue growth rates, expenses growth rates as well as determining an appropriate pre-tax discount rate used for subsidiaries.

	Upside scenario	Base scenario	Downside scenario
Weighting	10%	60%	30%
Revenue growth rate for FY2023	101%	51%	5%
Revenue growth rate for FY2024 - FY2027	10%	5%	5%
Administrative expenses growth rate for FY2023 - FY2027	2%	2%	2%
Operating expenses growth rate for FY2023	101%	51%	5%
Operating expenses growth rate for FY2024 - FY2027	10%	5%	5%
Pre-tax discount rate	6.72%	6.72%	6.72%

Based on these assumptions, an impairment loss of RM1,468,000 was recognised during the financial year, to bring the carrying amounts to the recoverable amounts due to the decline in operations of certain subsidiaries of the Company.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

8. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unquoted shares, at cost	6,000	6,000	6,000	6,000
Share of post-acquisition profit	23,544	18,539	-	-
	29,544	24,539	6,000	6,000

The details of the associate are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective interest in equity		Principal activity
		2022 %	2021 %	
Vistarena Development Sdn. Bhd. ("VDSB")*	Malaysia	20	20	Property development

* Associate not audited by BDO PLT.

- (a) Investment in an associate is measured at cost less impairment losses, if any, in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements.
- (b) The associate has a financial year end of 31 December. Management accounts of this associate for the financial year ended 30 April 2022 has been used for the purpose of applying the equity method of accounting.

NOTES TO THE FINANCIAL STATEMENTS
30 APRIL 2022 (CONT'D)

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

(c) The summarised financial information of the associate are as follows:

2022	VDSB RM'000
Assets and liabilities	
Non-current assets	75
Current assets	198,986
Non-current liabilities	(12,983)
Current liabilities	(68,133)
	117,945
Results	
Revenue	90,680
Profit for the financial year	25,025
Total comprehensive income	25,025
	5,005
Share of results by the Group for the financial year	
Share of profit by the Group for the financial year	5,005
2021	VDSB RM'000
Assets and liabilities	
Non-current assets	727
Current assets	166,819
Non-current liabilities	(14,104)
Current liabilities	(60,522)
	92,920
Results	
Revenue	191,622
Profit for the financial year	54,900
Total comprehensive income	54,900
	10,980
Share of results by the Group for the financial year	
Share of profit by the Group for the financial year	10,980


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

- (d) Reconciliation of the summarised financial information presented above to the carrying amount of the interest in the associate of the Group.

2022	VDSB RM'000
Net assets as at 30 April	117,945
Interest in associate as at year end	20%
	23,589
Goodwill	5,955
Carrying value of Group's interest in the associate	29,544
2021	VDSB RM'000
Net assets as at 30 April	92,920
Interest in associate as at year end	20%
	18,584
Goodwill	5,955
Carrying value of Group's interest in the associate	24,539

9. OTHER INVESTMENT

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Financial asset at fair value through profit or loss				
Quoted shares in Malaysia, at market value	1,197	1,596	1,197	1,596

Information on the fair value hierarchy is disclosed in Note 34 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

10. GOODWILL ON CONSOLIDATION

	Group	
	2022 RM'000	2021 RM'000
Balance as at 1 May	2,490	2,490
Impairment loss on goodwill on consolidation	(1,733)	-
Balance as at 30 April	757	2,490

The carrying amounts of goodwill allocated to the Group's CGUs are as follows:

	Group	
	2022 RM'000	2021 RM'000
Aluminium	-	1,733
Property development	757	757
	757	2,490

- (a) Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.
- (b) Impairment assessment

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the cash-generating units ('CGUs') of the Group that are expected to benefit from the synergies of the combination. Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the recoverable amount of the CGUs to which goodwill is allocated.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

10. GOODWILL ON CONSOLIDATION (CONT'D)

(b) Impairment assessment (cont'd)

(i) Goodwill of Aluminium CGU

The goodwill attributable to Aluminium CGU arose from the acquisition of SEMS. In performing the impairment assessment of the carrying amount of goodwill allocated to Aluminium CGU, the Group adopted the probability-weighted cash flow approach due to the possible outcomes of the CGU's performance. The probability-weighted cash flow approach uses all expectations about possible cash flows, instead of the single most likely cash flow, which also aligns with management's internal forecasts. This cash flow projection is based on financial budget approved by management covering a one (1) year period and cash flows beyond the one (1) year period are extrapolated using the estimated sales volume growth rates and are weighted based on the following scenarios:

2022	Upside scenario	Base scenario	Downside scenario
Weighting	10%	60%	30%
Revenue growth rate for FY2023	8%	5%	3%
Revenue growth rate for FY2024 – FY2027	3%	3%	3%
Administrative expenses growth rate for FY2023 – FY2027	2%	2%	2%
Operating expenses growth rate for FY2023	8%	5%	3%
Operating expenses growth rate for FY2024 – FY2027	3%	3%	3%
Pre-tax discount rate	6.72%	6.72%	6.72%
2021	Upside scenario	Base scenario	Downside scenario
Weighting	10%	60%	30%
Revenue growth rate for FY2022	44%	32%	16%
Revenue growth rate for FY2023 – FY2026	8%	8%	8%
Administrative expenses growth rate for FY2022 – FY2026	2%	2%	2%
Operating expenses growth rate for FY2023 – FY2026	8%	8%	8%
Pre-tax discount rate	5.18%	5.18%	5.18%

Management has assigned probability weighting to each scenario based on its expectations for the economy. Management is of the view that the probability weighting represents a reasonable assessment of the likelihood of the scenarios, taking into account macroeconomics factors, such as inflation rate.

As at 30 April 2022, the recoverable amount of Aluminium CGU is lower than the carrying amount of the goodwill, therefore management has impaired goodwill of RM1,733,000.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

10. GOODWILL ON CONSOLIDATION (CONT'D)

(b) Impairment assessment (cont'd)

(ii) Goodwill of Property development CGU

The goodwill attributable to Property development CGU arose from the acquisition of PSHSB. In performing the impairment assessment of the carrying amount of goodwill allocated to Property development CGU, the Group adopted the probability-weighted cash flow approach due to the possible outcomes of the CGU's performance. The probability-weighted cash flow approach uses all expectations about possible cash flows, instead of the single most likely cash flow, which also aligns with management's internal forecasts. This cash flow projection is based on financial budget approved by management covering a one (1) year period and cash flows beyond the one (1) year period are extrapolated using the estimated sales volume growth rates and are weighted based on the following scenarios:

2022	Upside scenario	Base scenario	Downside scenario
Weighting	10%	60%	30%
Average selling price (per square feet)	RM355	RM343	RM332
Average administrative expenses growth rate for FY2023 – FY2028	2%	2%	2%
Average development costs growth rate for FY2023 – FY2028	14%	14%	14%
Pre-tax discount rate	11.72%	11.72%	11.72%
2021	Upside scenario	Base scenario	Downside scenario
Weighting	10%	60%	30%
Average selling price (per square feet)	RM333	RM306	RM292
Average administrative expenses growth rate for FY2022 – FY2027	2%	2%	2%
Average development costs growth rate for FY2022 – FY2027	14%	14%	14%
Pre-tax discount rate	11.94%	11.94%	11.94%



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

10. GOODWILL ON CONSOLIDATION (CONT'D)

(b) Impairment assessment (cont'd)

(ii) Goodwill of Property development CGU (cont'd)

Management has assigned probability weighting to each scenario based on its expectations for the economy. Management is of the view that the probability weighting represents a reasonable assessment of the likelihood of the scenarios, taking into account macroeconomics factors, such as inflation rate.

As at 30 April 2022, the recoverable amount of Property development CGU was higher than the carrying amount of the goodwill, therefore no impairment loss was required.

However, the recoverable amount is sensitive to changes in certain key assumptions. The sensitivity of the impairment assessment to a reasonably possible change in each of the key inputs with all other variables held constant is as follows:

	Change in assumption	Impact
Probability weighted	Upside scenario: 2% Base scenario: 18% Downside scenario: 80%	Breakeven
Development costs growth rate	Increase by 21.5%	Breakeven
Administrative expenses growth rate	Increase by 67.5%	Breakeven
Pre-tax discount rate	Increase by 127%	Breakeven

11. DEFERRED TAX ASSETS/(LIABILITIES)

(a) The deferred tax assets and liabilities are made up of the following:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Balance as at 1 May	(19,998)	(20,522)	(18,953)	(19,328)
Recognised in profit or loss (Note 27)	(846)	524	(1,143)	375
Balance as at 30 April	(20,844)	(19,998)	(20,096)	(18,953)
Presented after appropriate offsetting:				
Deferred tax assets, net*	-	15	-	-
Deferred tax liabilities, net*	(20,844)	(20,013)	(20,096)	(18,953)
	(20,844)	(19,998)	(20,096)	(18,953)

* The amounts of set-off between deferred tax assets and deferred tax liabilities of the Group and of the Company were RM6,344,000 (2021: RM5,207,000) and RM4,305,000 (2021: RM3,937,000) respectively.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Unabsorbed tax losses RM'000	Unutilised capital allowances RM'000	Lease liabilities RM'000	Allowances RM'000	Others RM'000	Total RM'000
Balance as at 1 May 2020	45	300	1,784	2,173	123	4,425
Recognised in profit or loss	-	408	(440)	766	63	797
Balance as at 30 April 2021	45	708	1,344	2,939	186	5,222
Recognised in profit or loss	-	(408)	(239)	1,955	(186)	1,122
Balance as at 30 April 2022	45	300	1,105	4,894	-	6,344

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Right-of-use assets RM'000	Others RM'000	Total RM'000
Balance as at 1 May 2020	(22,390)	(2,557)	-	(24,947)
Recognised in profit or loss	(733)	472	(12)	(273)
Balance as at 30 April 2021	(23,123)	(2,085)	(12)	(25,220)
Recognised in profit or loss	(1,773)	192	(387)	(1,968)
Balance as at 30 April 2022	(24,896)	(1,893)	(399)	(27,188)



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

- (b) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows (cont'd):

Deferred tax assets of the Company

	Lease liabilities RM'000	Allowances RM'000	Others RM'000	Total RM'000
Balance as at 1 May 2020	1,298	1,872	125	3,295
Recognised in profit or loss	(458)	1,039	61	642
Balance as at 30 April 2021	840	2,911	186	3,937
Recognised in profit or loss	(226)	780	(186)	368
Balance as at 30 April 2022	614	3,691	-	4,305

Deferred tax liabilities of the Company

	Property, plant and equipment RM'000	Right-of-use assets RM'000	Total RM'000
Balance as at 1 May 2020	(20,296)	(2,327)	(22,623)
Recognised in profit or loss	(739)	472	(267)
Balance as at 30 April 2021	(21,035)	(1,855)	(22,890)
Recognised in profit or loss	(1,693)	182	(1,511)
Balance as at 30 April 2022	(22,728)	(1,673)	(24,401)



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

- (c) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2022 RM'000	2021 RM'000
Unabsorbed capital allowances	641	431
Unused tax losses:		
- Expiring on 31 December 2025	-	1,248
- Expiring on 31 December 2026	-	760
- Expiring on 31 December 2027	-	639
- Expiring on 31 December 2028	1,248	937
- Expiring on 31 December 2029	760	-
- Expiring on 31 December 2030	639	-
- Expiring on 31 December 2031	937	-
- Expiring on 31 December 2032	3,118	-
Other deductible temporary differences	453	528
	7,796	4,543

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised.

In the previous financial year, for the Malaysian entities, the unused tax losses up to the year of assessment 2018 shall be deductible until year of assessment of 2025. The unused tax losses of the year of assessment 2019 onwards will expire in 7 years.

From the current financial year onwards, for the Malaysian entities, the unused tax losses up to the year of assessment 2019 shall be deductible until year of assessment of 2029. The unused tax losses of the year of assessment 2020 onwards will expire in 10 years.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

12. INVENTORIES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At cost					
Raw materials		81,690	35,700	73,224	27,668
Finished goods		98,947	75,613	91,403	70,937
Consumables		3,665	3,686	3,384	3,391
Property development expenditure	(b)	204,921	71,682	-	-
		389,223	186,681	168,011	101,996

(a) Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials, finished goods and consumables are determined using the weighted average method. Cost of consumables and raw materials comprises all costs of purchase plus the cost of bringing the inventories to their existing location and condition. The cost of work of finished goods includes the cost of raw materials, direct labour, other direct costs and a proportion of production overheads based on normal operating capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Property development expenditure not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value. Property development expenditure comprise all costs that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. Such development expenditure comprises the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

The Group recognises in profit or loss the property development revenue and costs by reference to the progress towards complete satisfaction of that performance obligation at the reporting period. It is measured based on direct measurements of the value transferred by the Group to the purchasers and the Group's effort or inputs to the satisfaction of the performance obligation.

Substantial changes in cost estimates can have a significant effect on the Group's profitability in future periods. In making the above judgement, the Group relies on past experience and work of specialists. There is no estimation required in determining the transaction prices as revenue from property development is based on cost plus margin.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

12. INVENTORIES (CONT'D)

(b) Property development expenditure

Group	Balance as at 1.5.2021 RM'000	Reclassified from prepayment RM'000	Cost incurred during the year RM'000	Balance as at 30.4.2022 RM'000
Leasehold land	40,756	38,326	3	79,085
Development costs	30,926	-	94,910	125,836
	71,682	38,326	94,913	204,921

Group	Balance as at 1.5.2020 RM'000	Cost incurred during the year RM'000	Balance as at 30.4.2021 RM'000
Leasehold land	40,756	-	40,756
Development costs	14,115	16,811	30,926
	54,871	16,811	71,682

Property development land of a subsidiary with carrying amount of RM40,759,000 (2021: RM40,756,000) is pledged as security for bank overdrafts and term loan granted to the subsidiary as disclosed in Note 19(e) to the financial statements.

- (c) During the financial year, inventories of the Group and of the Company recognised as cost of sales amounted to RM555,498,000 (2021: RM436,241,000) and RM518,337,000 (2021: RM402,550,000) respectively.
- (d) Inventories written off for consumables of the Group and of the Company during the financial year amounting to RM883,000 (2021: RM99,000) and RM883,000 (2021: RM94,000) respectively are included in cost of sales.
- (e) During the financial year, the Group recorded a credit to profit and loss pertaining to reversal of inventories written down of RM16,000 (2021: inventories written down of RM19,000) and is included in cost of sales.
- (f) Interest expense capitalised under property development expenditure of the Group which amounted to RM2,082,353 (2021: RM2,973,093) bear interest ranging from 3.40% to 5.45% (2021: 3.10% to 6.20%).
- (g) The Group and the Company writes down its obsolete or slow moving inventories of aluminium products based on an assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Writing down of inventories to net realisable value is mainly based on management estimates, which have been derived from estimates of selling prices that are subject to price volatility of aluminium.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current					
Amounts owing by subsidiaries	(d)	-	-	54,143	62,127
Less: Impairment losses	(h)	-	-	(321)	(1,571)
		-	-	53,822	60,556
Current					
Trade receivables					
Third parties	(b)	156,233	121,945	131,855	103,319
Amounts owing by subsidiaries	(c)	-	-	9,345	786
		156,233	121,945	141,200	104,105
Less: Impairment losses - third parties	(g)	(12,726)	(6,881)	(9,443)	(3,913)
Total trade receivables		143,507	115,064	131,757	100,192
Other receivables					
Third parties	(e)	23,823	9,068	11,825	2,316
Deposits		740	471	297	316
Amounts owing by subsidiaries	(e)	-	-	6,488	16
		24,563	9,539	18,610	2,648
Less: Impairment losses - other receivables	(h)	(413)	(198)	-	(138)
		24,150	9,341	18,610	2,510
Total receivables		167,657	124,405	150,367	102,702
Prepayments	(l)	4,495	39,697	4,148	1,163
Total trade and other receivables (current)		172,152	164,102	154,515	103,865
Total trade and other receivables (non-current and current)		172,152	164,102	208,337	164,421

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal credit terms granted by the Group and the Company ranged from seven (7) to ninety (90) days (2021: seven (7) to ninety (90) days) from the date of invoice. They are recognised at their original invoices amounts, which represent their fair values on initial recognition.
- (c) Current amounts owing by subsidiaries in trade receivables are trade in nature and are subject to the normal credit terms granted by the Company which ranged from seven (7) to ninety (90) days (2021: seven (7) to ninety (90) days) from the date of invoice. They are recognised at their original invoices amounts, which represent their fair values on initial recognition.
- (d) Non-current amounts owing by subsidiaries of the Company represent loan and advances, which are unsecured, bear interest at 3.4% (2021: 3.1% to 6.0%) per annum and are not repayable within the next twelve (12) months.
- (e) Current amounts owing by subsidiaries in other receivables represent advances and payments made on behalf, which are unsecured, interest-free and payable within the next twelve (12) months in cash and cash equivalents.

In addition, included in third parties in other receivables of the Group and Company represents advances paid to trade suppliers amounting to RM19,433,000 (2021: RM6,344,000) and RM11,001,000 (2021: RM1,547,000) respectively. The advances paid to trade suppliers are unsecured and interest free.

- (f) Impairment for trade receivables are recognised based on the simplified approach using the lifetime expected credit losses. Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach within MFRS 9 using the lifetime expected credit losses. The Group and the Company consider credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward-looking information such as Malaysia Gross Domestic Product and aluminium price multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Impairment for other receivables and amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The probability of non-payment by other receivables and amounts owing by subsidiaries are adjusted by forward-looking information such as aluminium price and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other receivables and amounts owing by subsidiaries.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) (cont'd)

Evidence that a financial asset is credit impaired includes the following observable data:

- (i) Significant financial difficulties of the debtor;
- (ii) A breach of contract such as a default or being more than 365 days past due;
- (iii) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- (iv) It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- (v) The disappearance of an active market for a security because of financial difficulties.

The Group and the Company defines significant increase in credit risk based on past due information, i.e. 60 days after credit term, operating performance of the receivables, changes to contractual terms and payment trends.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

As at the end of the reporting period, the Group and the Company is of the view that the expected credit losses of receivables are adequate based on the analysis of probability of default by receivables and appropriate forward-looking information.

(g) The reconciliation of movements in the impairment losses on trade receivables is as follows:

Group	Lifetime expected credit losses ("ECL") allowances RM'000
Balance as at 1 May 2021	6,881
Charge for the financial year	7,549
Reversal of impairment loss	(1,730)
Exchange differences	26
Balance as at 30 April 2022	12,726
Balance as at 1 May 2020	9,667
Charge for the financial year	1,410
Reversal of impairment loss	(4,218)
Exchange differences	22
Balance as at 30 April 2021	6,881



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(g) The reconciliation of movements in the impairment losses on trade receivables is as follows (cont'd):

Company	Lifetime expected credit losses ("ECL") allowances RM'000
Balance as at 1 May 2021	3,913
Charge for the financial year	5,933
Reversal of impairment loss	(403)
Balance as at 30 April 2022	9,443
Balance as at 1 May 2020	6,006
Charge for the financial year	915
Reversal of impairment loss	(3,008)
Balance as at 30 April 2021	3,913

(h) The reconciliation of movements in the impairment losses on other receivables and amounts owing by subsidiaries are as follows:

Group	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Total RM'000
Balance as at 1 May 2021	198	-	198
Charge for the financial year	353	-	353
Reversal of impairment loss	(138)	-	(138)
Balance as at 30 April 2022	413	-	413
Balance as at 1 May 2020	227	-	227
Charge for the financial year	1	-	1
Reversal of impairment loss	(30)	-	(30)
Balance as at 30 April 2021	198	-	198


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

- (h) The reconciliation of movements in the impairment losses on other receivables and amounts owing by subsidiaries are as follows (cont'd):

Company	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Total RM'000
Balance as at 1 May 2021	138	1,571	1,709
Charge for the financial year	-	321	321
Reversal of impairment loss	(138)	(1,571)	(1,709)
Balance as at 30 April 2022	-	321	321
Balance as at 1 May 2020	138	289	427
Charge for the financial year	-	1,571	1,571
Reversal of impairment loss	-	(289)	(289)
Balance as at 30 April 2021	138	1,571	1,709

- (i) As at the end of each reporting period, the credit risks exposures and concentration relating to trade receivables of the Group and of the Company are summarised in the table below:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Maximum exposure	143,507	115,064	131,757	100,192
Collateral obtained	-	-	-	-
Net exposure to credit risk	143,507	115,064	131,757	100,192

During the financial year, the Group and the Company did not renegotiate the terms of any trade receivables.

- (j) The currency exposure profile of trade and other receivables (excluding prepayments) are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	147,235	111,971	195,638	157,227
United States Dollar	8,811	6,420	8,526	5,888
Singapore Dollar	11,611	6,014	25	143
	167,657	124,405	204,189	163,258

NOTES TO THE FINANCIAL STATEMENTS
30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(k) The expected credit losses of trade receivables of the Group and of the Company are as follows:

Group 2022	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2022 RM'000
Current	117,362	(953)	116,409
Past due			
1 to 30 days	18,288	(604)	17,684
31 to 60 days	11,501	(2,628)	8,873
61 to 90 days	3,592	(3,171)	421
More than 90 days	5,490	(5,370)	120
	38,871	(11,773)	27,098
	156,233	(12,726)	143,507
Group 2021	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2021 RM'000
Current	92,770	(334)	92,436
Past due			
1 to 30 days	13,356	(279)	13,077
31 to 60 days	7,253	(486)	6,767
61 to 90 days	2,595	(373)	2,222
More than 90 days	5,971	(5,409)	562
	29,175	(6,547)	22,628
	121,945	(6,881)	115,064



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(k) The expected credit losses of trade receivables of the Group and of the Company are as follows (cont'd):

Company 2022	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2022 RM'000
Current	108,447	(58)	108,389
Past due			
1 to 30 days	15,692	(279)	15,413
31 to 60 days	10,140	(2,185)	7,955
61 to 90 days	2,795	(2,795)	-
More than 90 days	4,126	(4,126)	-
	32,753	(9,385)	23,368
	141,200	(9,443)	131,757
Company 2021	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2021 RM'000
Current	82,430	(18)	82,412
Past due			
1 to 30 days	8,289	(11)	8,278
31 to 60 days	6,776	(14)	6,762
61 to 90 days	2,410	(11)	2,399
More than 90 days	4,200	(3,859)	341
	21,675	(3,895)	17,780
	104,105	(3,913)	100,192

(l) In the previous financial year, included in the prepayments was an amount of RM38,326,000, which represented land premium paid to relevant authority by a subsidiary of the Group. On 24 June 2021, this amount has been reclassified to inventories after the subsidiary received the land title.

(m) Information on financial risks of trade and other receivables is disclosed in Note 35 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

14. SHORT TERM FUND

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At fair value through profit or loss				
Short term fund	28,271	27,791	28,271	27,791

- (a) Short term fund is classified as fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss. The fair value is categorised as Level 1 in fair value hierarchy. The short term fund of the Group and of the Company is denominated in Ringgit Malaysia ("RM").
- (b) The management assessed that the fair value of the short term fund approximates its carrying amount largely due to the short term maturities of this instrument.
- (c) Information on the fair value hierarchy is disclosed in Note 34 to the financial statements.
- (d) Information on financial risks of short term fund is disclosed in Note 35 to the financial statements.

15. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash and bank balances	22,248	17,761	18,276	14,638
Deposits with licensed banks	8,050	18,710	5,700	16,010
	30,298	36,471	23,976	30,648
Less: Impairment losses	-	(1)	-	-
As reported in the statements of financial position	30,298	36,470	23,976	30,648
Less: Bank overdrafts (Note 19)	(12,700)	(4,605)	-	-
As reported in the statements of cash flows	17,598	31,865	23,976	30,648

- (a) Cash and bank balances are classified as financial assets measured at amortised cost. The Group and the Company recognise an impairment loss allowance for expected credit losses on a financial asset that is measured at amortised cost.

The Group and the Company measure loss allowances for cash and bank balances that are determined to have low credit risk at the reporting date at 12-month expected credit loss.

- (b) Deposits placed with licensed banks of the Group and the Company have maturity periods of up to 30 days (2021: up to 30 days) with interest rates of 1.15% to 1.57% (2021: 1.20% to 1.63%) and 1.15% to 1.53% (2021: 1.20% to 1.63%) per annum respectively.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

15. CASH AND BANK BALANCES (CONT'D)

(c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	19,054	26,411	14,958	22,831
United States Dollar	9,017	7,812	9,000	7,793
Singapore Dollar	2,213	2,242	4	19
Others	14	5	14	5
	30,298	36,470	23,976	30,648

(d) The reconciliation of movements in the impairment losses on cash and bank balances are as follows:

Group	12-month ECL	
	2022 RM'000	2021 RM'000
Balance as at 1 May	1	1
Reversal of impairment loss	(1)	-
Balance as at 30 April	-	1

(e) Information on financial risks of cash and bank balances is disclosed in Note 35 to the financial statements.

16. ASSET CLASSIFIED AS HELD FOR SALE

On 17 May 2021, a wholly-owned subsidiary of the Group entered into a Tripartite Sale and Purchase Agreement ("TSPA") with Top Parts Electronics (M) Sdn. Bhd. ("TPESB") and the existing tenant of the property, Facade Treatment Engineering Sdn. Bhd. ("FTESB") for the disposal of a parcel of freehold land together with all those industrial buildings and structures erected thereon within Lot 755, Jalan Subang 3, Sungai Penaga Industrial Park, 47610 Subang Jaya, Selangor Darul Ehsan held under title No. GM80, Lot 755 in Mukim of Damansara, District of Petaling, Negeri Selangor Darul Ehsan, for a total purchase consideration of RM31,000,000. The freehold land and buildings were reclassified to asset classified as held for sale in accordance with the requirements of MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* in the previous financial year.

	Group RM'000
Balance as at 1 May 2020	-
Reclassification from investment property	24,672
Balance as at 30 April 2021	24,672
Disposal	(24,672)
Balance as at 30 April 2022	-

The disposal was completed on 30 December 2021.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

17. SHARE CAPITAL

	Group and Company			
	2022		2021	
	Number of shares (‘000)	Amount RM’000	Number of shares (‘000)	Amount RM’000
Ordinary shares issued and fully paid with no par value				
- At beginning of the year	248,486	125,771	248,486	125,771
- Effect of bonus issue	186,365	-	-	-
At end of financial year	434,851	125,771	248,486	125,771

On 6 July 2021, the Company announced to undertake a proposed bonus issue of up to 186,364,750 new ordinary shares in the Company (“Bonus Shares”) to be credited as fully paid-up, on the basis of three (3) Bonus Shares for every four (4) existing ordinary shares in the Company (“Bonus Issue”). The Bonus Issue was completed on 30 August 2021.

The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

18. RESERVES

	Group		Company	
	2022 RM’000	2021 RM’000	2022 RM’000	2021 RM’000
Exchange translation reserve	4,678	4,514	-	-
Retained earnings	232,404	201,553	174,645	150,910
	237,082	206,067	174,645	150,910

Exchange translation reserve

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operation whose functional currency is different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operation of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

19. BORROWINGS

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current liabilities					
<u>Secured</u>					
Term loan		25,720	33,260	-	-
<u>Unsecured</u>					
Term loan		4,440	5,920	4,440	5,920
	20	30,160	39,180	4,440	5,920
Current liabilities					
<u>Secured</u>					
Bank overdrafts		12,700	4,605	-	-
Term loan	20	6,960	1,740	-	-
<u>Unsecured</u>					
Bankers' acceptances		183,880	109,680	181,180	106,060
Revolving credits		25,000	32,000	25,000	32,000
Term loans	20	1,480	1,480	1,480	1,480
		230,020	149,505	207,660	139,540
Total borrowings					
Bank overdrafts	15	12,700	4,605	-	-
Bankers' acceptances		183,880	109,680	181,180	106,060
Revolving credits		25,000	32,000	25,000	32,000
Term loans	20	38,600	42,400	5,920	7,400
		260,180	188,685	212,100	145,460

(a) Borrowings are classified as financial liabilities measured at amortised cost.

(b) All borrowings are denominated in Ringgit Malaysia.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

19. BORROWINGS (CONT'D)

(c) The borrowings of the Group and of the Company bear the following interest rates per annum:

	Group		Company	
	2022 %	2021 %	2022 %	2021 %
Bank overdrafts	6.45	7.70	-	-
Bankers' acceptances	2.34 - 3.12	2.20 - 3.34	2.34 - 3.12	2.20 - 3.34
Revolving credits	3.07 - 3.76	2.94 - 6.01	3.07 - 3.76	2.94 - 6.01
Term loans	4.49 - 5.64	4.49 - 6.20	4.49	4.49

(d) Bankers' acceptances and revolving credits are restricted by negative pledges. In addition, the bankers' acceptances of a subsidiary are guaranteed by a corporate guarantee given by the holding company.

(e) The bank overdrafts of RM12,700,000 (2021: RM4,605,000) and term loan of RM32,680,000 (2021: RM35,000,000) are secured by:

- (i) open all monies first party first legal charge over a leasehold land held under Lot 103836 Bandar Tasik Selatan, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan as disclosed in Note 12(b) to the financial statements;
- (ii) open all monies general debenture over Pembinaan Serta Hebat Sdn. Bhd.'s present and future assets;
- (iii) open all monies assignment over surplus proceeds of the proposed development and charge over designated Housing Development Account; and
- (iv) a joint and several guarantee by a Director of Pembinaan Serta Hebat Sdn. Bhd.

(f) Information on financial risks of borrowings is disclosed in Note 35 to the financial statements.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

20. TERM LOANS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Term loan I, repayable in 5 years instalments of RM1,480,000, commenced on 1 December 2020 and expiring on 1 December 2025	5,920	7,400	5,920	7,400
Term loan II, repayable in 60 months instalments of RM580,000 for first 59 months followed by RM780,000 for last instalment commenced on 1 January 2022 and expiring on 1 January 2027	32,680	35,000	-	-
	38,600	42,400	5,920	7,400
Current liability				
- not later than one (1) year	8,440	3,220	1,480	1,480
Non-current liability				
- later than one (1) year but not later than five (5) years	30,160	39,180	4,440	5,920
	38,600	42,400	5,920	7,400

- (a) Fair value of term loans of the Group and of the Company are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

21. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current					
Other payable					
Amount owing to a corporate shareholder of a subsidiary	(e)	14,561	9,271	-	-
Current					
Trade payables					
Third parties	(b)	86,690	42,358	39,478	34,282
Related party	(c)	12,653	11,726	6,650	7,871
		99,343	54,084	46,128	42,153
Other payables					
Third parties		14,436	10,823	12,556	8,904
Accruals		10,365	9,941	9,279	8,887
Deposits received		8,268	7,082	8,209	6,572
Amounts owing to Directors of subsidiaries	(d)	622	622	-	-
Amounts owing to subsidiaries	(d)	-	-	4,977	1,190
Amounts owing to related parties	(d)	48,060	26,741	-	-
		81,751	55,209	35,021	25,553
Total trade and other payables (current)		181,094	109,293	81,149	67,706
Total trade and other payables (non-current and current)		195,655	118,564	81,149	67,706

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company are seven (7) to ninety (90) days (2021: seven (7) to ninety (90) days) from the date of invoice.
- (c) The amount owing to a related party is unsecured, non-interest bearing and the trade credit terms granted to the Group and the Company are seven (7) to ninety (90) days (2021: seven (7) to ninety (90) days) from the date of invoice. The relationship with the above related party is as disclosed in Note 31 to the financial statements.
- (d) Non-trade amounts owing to Directors of subsidiaries and amounts owing to subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and payable upon demand, except for an amount owing to a related party, Platinum Victory Development Sdn. Bhd. of RM48,059,874 (2021: RM23,294,311) which bears interest at 3.4% (2021: 3.1%) per annum.
- (e) Non-current amount owing to a corporate shareholder of a subsidiary represents advances, which are unsecured, bears interest at 3.4% (2021: 3.1%) per annum and is not repayable within the next twelve (12) months.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

21. TRADE AND OTHER PAYABLES (CONT'D)

(f) The currency exposure profile of trade and other payables are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Ringgit Malaysia	167,866	104,839	59,858	54,083
United States Dollar	21,164	12,842	21,164	12,967
Singapore Dollar	6,498	757	-	530
Others	127	126	127	126
	195,655	118,564	81,149	67,706

(g) Information on financial risks of trade and other payables is disclosed in Note 35 to the financial statements.

22. DERIVATIVE FINANCIAL LIABILITIES

	Group and Company			
	2022		2021	
	Contract/ Notional amount Net short RM'000	Liabilities RM'000	Contract/ Notional amount Net short RM'000	Liabilities RM'000
Forward foreign exchange contracts	-	-	(12,638)	31

- (a) The Group and the Company classified derivative financial instruments as financial liabilities at fair value through profit or loss and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.
- (b) Forward currency contracts had been entered to operationally hedge purchases denominated in foreign currency that were expected to realise or occur at various dates within one (1) month from the end of the reporting period. The forward currency contracts had maturity dates that coincide with the expected occurrence of these transactions. The fair value of these components had been determined based on the difference between the contracted rate and the forward exchange rate as applicable to a contract of similar amount and maturity profile at the end of the reporting period.
- (c) The Group and the Company had recorded a credit to profit or loss pertaining to fair value on derivative instruments as disclosed in Note 26 to the financial statements.
- (d) Information of the fair value hierarchy is disclosed in Note 34 to the financial statements.
- (e) Information on financial risks of derivative financial liabilities is disclosed in Note 35 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

23. REVENUE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contracts with customers				
Recognised at point in time:				
Sales of goods	685,184	525,718	631,589	473,816
Test rig services	1,076	1,179	-	-
Engineering services	356	278	-	-
	686,616	527,175	631,589	473,816

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

(a) Sale of goods

Revenue from sales of goods is recognised at a point in time when the goods have been transferred to the customers and coincides with the delivery of goods and acceptance by customers.

There is no material right of return and warranty provided to the customers on the sale of goods.

(b) Test rig and engineering services

Revenue from services rendered is recognised at a point in time when services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

(c) There is no significant financing component in the revenue arising from sales of products and services rendered as the products and services are made on the normal credit terms not exceeding twelve (12) months.

(d) Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on products and services and geographical location from which the sale transactions originated.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

24. OTHER OPERATING INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Dividend income from:				
- other investment	47	42	47	42
- subsidiaries	-	-	4,474	1,060
Gain on disposal of:				
- property, plant and equipment	31	-	31	347
- asset classified as held for sale	4,204	-	-	-
Interest income from:				
- deposits with licensed banks	884	785	663	733
- amounts owing by subsidiaries	-	-	2,012	2,820
Insurance claim recovery	306	-	306	-
Management service income from subsidiaries	-	-	721	719
Realised gain on foreign exchange	56	18	33	-
Rental income	735	1,553	367	354
Fair value gain on derivative instruments	31	-	31	-
Fair value gain on on short term fund	87	-	87	-
Fair value gain on other investment	-	745	-	745
Sundry income	1,164	2,269	774	1,403
Unrealised gain on foreign exchange	1,360	-	1,349	-
	8,905	5,412	10,895	8,223

(a) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(b) Management fee

The provision of management fee is recognised when services are rendered.

(c) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(d) Rental income

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

25. FINANCE COSTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fair value adjustment on non-current amounts owing by subsidiaries	-	-	2,454	3,379
Interest expense on:				
- amount owing to a corporate shareholder of a subsidiary	335	301	-	-
- bank overdrafts	627	32	1	2
- bankers' acceptances	3,582	2,666	3,482	2,567
- term loans	459	120	310	114
- lease liabilities	175	219	198	276
- related party	861	600	-	-
- revolving credits	917	1,331	917	1,331
	6,956	5,269	7,362	7,669

26. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at after charging/(crediting):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Auditors' remuneration:				
- current year				
- BDO PLT	163	145	85	81
- other auditors	71	70	-	-
- over-provision in prior years	(4)	(3)	(2)	(2)
- other service	3	3	3	3
Bad debts written off	1,565	-	410	-
Fair value (gain)/loss on:				
- derivative instruments	(31)	31	(31)	31
- other investment	399	(745)	399	(745)
- short term fund	(87)	-	(87)	-
Impairment losses on:				
- property, plant and equipment	331	-	-	-
- goodwill on consolidation	1,733	-	-	-
- investments in subsidiaries	-	-	1,468	-
Other receivables written off	-	189	-	189
Net (gain)/loss on disposal of:				
- property, plant and equipment	(31)	10	(31)	(338)
- asset classified as held for sale	(4,204)	-	-	-
Net (gain)/loss on foreign exchange:				
- realised	(25)	590	(33)	584
- unrealised	(1,360)	268	(1,349)	256



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

26. PROFIT BEFORE TAX (CONT'D)

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at after charging/(crediting) (cont'd):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Rental expenses on:				
- premises	16	40	16	34
- forklift and other equipment	31	39	29	37
Impairment losses on:				
- Trade and other receivables (Note 13)	7,902	1,411	5,933	915
- Amounts owing by subsidiaries (Note 13)	-	-	321	1,571
	7,902	1,411	6,254	2,486
Reversal of impairment losses on:				
- Trade and other receivables (Note 13)	(1,868)	(4,248)	(541)	(3,008)
- Amounts owing by subsidiaries (Note 13)	-	-	(1,571)	(289)
	(1,868)	(4,248)	(2,112)	(3,297)
Net losses/(gains) on impairment of financial assets	6,034	(2,837)	4,142	(811)

27. TAX EXPENSE

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	14,313	9,450	12,050	7,129
Foreign income tax	98	358	-	-
	14,411	9,808	12,050	7,129
Over-provision in prior years				
Malaysian income tax	(2,427)	(713)	(2,203)	(680)
Foreign income tax	-	(115)	-	-
	(2,427)	(828)	(2,203)	(680)
	11,984	8,980	9,847	6,449
Deferred tax (Note 11):				
Relating to origination and reversal of temporary differences	(1,267)	(960)	(920)	(1,057)
Under-provision in prior years	2,113	436	2,063	682
	846	(524)	1,143	(375)
	12,830	8,456	10,990	6,074



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

27. TAX EXPENSE (CONT'D)

- (a) Malaysian income tax is calculated at the statutory tax rate of twenty-four percent (24%) (2021: 24%) of the estimated taxable profits for the fiscal year.
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.
- (c) The numerical reconciliations between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before tax	51,368	49,017	45,596	26,517
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	12,328	11,764	10,943	6,364
Tax effects in respect of:				
Non-taxable income	(2,391)	(1,795)	(1,843)	(854)
Non-deductible expenses	3,642	2,945	2,030	1,574
Utilisation of investment tax allowance	-	(1,012)	-	(1,012)
Utilisation of deferred tax assets not recognised in prior years	-	(188)	-	-
Effects of different tax rate in foreign jurisdiction	(15)	(230)	-	-
Effects of share of profit of an associate	(1,201)	(2,636)	-	-
Deferred tax assets not recognised	781	-	-	-
(Over)/Under provision in prior years:				
- tax expense	(2,427)	(828)	(2,203)	(680)
- deferred tax	2,113	436	2,063	682
	12,830	8,456	10,990	6,074

- (d) Tax on each component of other comprehensive income is as follows:

	Group		
	Before tax RM'000	Tax effect RM'000	After tax RM'000
2022			
Foreign currency translations	164	-	164
2021			
Foreign currency translations	92	-	92

- (e) In the previous financial year, the Group and the Company were entitled to claim investment tax allowance under Section 127 (3A) of Income Tax Act, 1967. Investment tax allowance of RM4,217,000 was claimed in the previous financial year.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

28. EARNINGS PER ORDINARY SHARE

(a) Basic

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

	Group	
	2022	2021
Profit for the financial year attributable to owners of the parent (RM'000)	41,722	41,209
Average number of ordinary shares in issue at the beginning of financial year ('000)	248,486	248,486
Effect of:		
- Issuance of ordinary shares pursuant to bonus issue completed on 30 August 2021 ('000)	186,365	186,365
Weighted average number of ordinary shares in issue ('000)*	434,851	434,851
Basic earnings per ordinary share (sen)	9.59	9.48

* The weighted average number of shares for the financial year ended 30 April 2021 had included the effect of Bonus Issue.

(b) Diluted

The diluted earnings per ordinary share equal basic earnings per ordinary share because there were no potential dilutive ordinary shares as at the end of the reporting period.

29. DIVIDENDS

	Group and Company			
	2022		2021	
	Dividend per share sen	Amount of dividend RM'000	Dividend per share sen	Amount of dividend RM'000
In respect of the financial year ended 30 April 2021: Single tier final dividend, paid on 16 November 2021	2.50	10,871	-	-
In respect of the financial year ended 30 April 2020: Single tier final dividend, paid on 16 October 2020	-	-	1.00	2,485

At the forthcoming Annual General Meeting, a first and final single tier dividend of 2.50 sen per ordinary share amounting to RM10,871,267 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 April 2023.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

30. EMPLOYEE BENEFITS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Wages, salaries and bonuses	40,884	38,433	33,673	31,578
Defined contribution plan	3,467	3,207	2,916	2,684
Social security contributions	413	379	358	328
Others	3,298	3,351	2,935	2,986
	48,062	45,370	39,882	37,576

31. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

Related parties of the Group include:

- (i) direct and indirect subsidiaries as disclosed in Note 7 to the financial statements;
- (ii) an associate as disclosed in Note 8 to the financial statements;
- (iii) corporate shareholder of a subsidiary as disclosed in Note 21 to the financial statements;
- (iv) companies in which the Directors of the Company have substantial financial interests;
- (v) A-Rank Berhad is a related party to the Group, whereby Tan Sri Datuk Leow Chong Howa, Leow Vinzie and Leow Vinken are the Directors of A-Rank Berhad; and
- (vi) key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

31. RELATED PARTY DISCLOSURES (CONT'D)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with the related parties during the financial year:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Sales of products to subsidiaries:				
- LB Aluminium (Singapore) Pte. Ltd.	-	-	47,087	29,428
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	578	1,114
- ALBE Marketing Sdn. Bhd.	-	-	458	715
- ALBE Metal Sdn. Bhd.	-	-	3,153	2,994
- Facade Performance Lab Sdn. Bhd.	-	-	-	2
- SEMS Sdn. Bhd.	-	-	5	49
Purchases of products from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	(7,783)	(5,682)
- ALBE Marketing Sdn. Bhd.	-	-	(463)	(303)
- ALBE Metal Sdn. Bhd.	-	-	(314)	(511)
- SEMS Sdn. Bhd.	-	-	(3,923)	(4,518)
Sales of dies to a subsidiary:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	496	467
Management and administrative fees from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	300	300
- LB Aluminium (Singapore) Pte. Ltd.	-	-	193	191
- ALBE Marketing Sdn. Bhd.	-	-	72	72
- ALBE Metal Sdn. Bhd.	-	-	72	72
- Facade Performance Lab Sdn. Bhd.	-	-	24	24
- SEMS Sdn. Bhd.	-	-	60	60
Rental of premises paid to a related party:				
- Ritecorp Sdn. Bhd.	(60)	(60)	(60)	(60)
Dividend income from subsidiaries:				
- LB Aluminium (Singapore) Pte. Ltd.	-	-	924	610
- Rank Metal Sdn. Bhd.	-	-	100	100
- Poly Acres Sdn. Bhd.	-	-	450	350
- ALBE Metal Sdn. Bhd.	-	-	3,000	-



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

31. RELATED PARTY DISCLOSURES (CONT'D)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with the related parties during the financial year (cont'd):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest income from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	15	268
- ALBE Metal Sdn. Bhd.	-	-	486	1,500
- Citajaya Kuasa Sdn. Bhd.	-	-	700	624
- Greentech Paramount Sdn. Bhd.	-	-	811	428
Rental income from subsidiaries:				
- Facade Performance Lab Sdn. Bhd.	-	-	53	53
- SEMS Sdn. Bhd.	-	-	144	144
Rental of premises paid to subsidiaries:				
- Poly Acres Sdn. Bhd.	-	-	(560)	(560)
- Omega Pesona Sdn. Bhd.	-	-	(341)	(341)
- Rank Metal Sdn. Bhd.	-	-	(159)	(159)
Interest expense paid to a corporate shareholder of a subsidiary:				
- MW Urban Development Sdn. Bhd.	(335)	(301)	-	-
Interest expense paid to a related party:				
- Platinum Victory Development Sdn. Bhd.	(1,032)	(600)	-	-
Purchases of products from a related party:				
- Formosa Shyeng Horng Metal Sdn. Bhd.	(163,885)	(124,570)	(144,393)	(111,223)

The related party transactions described above were carried out on agreed contractual terms and conditions and in the ordinary course of business between the related parties of the Group and the Company.

Information regarding outstanding balances arising from related party transactions as at 30 April 2022 are disclosed in Notes 13 and 21 to the financial statements.


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

31. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and of the Company.

The remuneration of Directors and other key management personnel during the financial year were as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
(i) Directors				
<u>Directors of the Company</u>				
Executive Directors:				
Short-term employee benefits:				
- fees	160	160	160	160
- salaries, bonuses and other benefits*	3,681	3,243	2,878	2,764
- defined contribution plan	386	312	334	312
	4,227	3,715	3,372	3,236
Non-Executive Directors:				
- fees	240	240	240	240
- other benefits	23	22	23	22
Total	4,490	3,977	3,635	3,498
<u>Directors of the subsidiaries</u>				
Executive Directors:				
Short-term employee benefits:				
- salaries, bonuses and other benefits*	1,122	1,393	-	-
- defined contribution plan	130	173	-	-
	1,252	1,566	-	-
Non-Executive Director:				
- fees	240	-	-	-
Total	1,492	1,566	-	-
Total Directors' remuneration	5,982	5,543	3,635	3,498



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

31. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel (cont'd)

The remuneration of Directors and other key management personnel during the financial year were as follows (cont'd):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
(ii) Other key management personnel				
Short-term employee benefits	811	729	811	729
Defined contribution plan	96	91	96	91
Total compensation for other key management personnel	907	820	907	820

* *Salaries, bonuses and other benefits included bonus paid during the financial year.*

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the Directors of the Company were RM73,400 (2021: RM48,700).

32. COMMITMENTS

(a) Operating lease commitment

The Group and the Company as a lessor

Non-cancellable operating lease receivable are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Not later than one (1) year	46	671	46	46
Later than one (1) year but not later than five (5) years	-	-	-	-
	46	671	46	46



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

32. COMMITMENTS (CONT'D)

(b) Capital commitments not provided for in the financial statements are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
In respect of purchase of property, plant and equipment:				
Contracted but not provided for	1,816	222	1,816	222
Approved but not contracted for	9,203	12,557	9,203	12,557
	11,019	12,779	11,019	12,779

33. CONTINGENT LIABILITIES

	Company	
	2022 RM'000	2021 RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries – unsecured		
– Limit of guarantee	9,200	14,100
– Amount utilised	2,700	3,620
Corporate guarantees given to third parties for supplies of goods and services to a subsidiary – unsecured		
– Limit of guarantee	2,000	2,000
– Amount utilised	-	95

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries and third parties for supplies of goods and services to a subsidiary as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Directors are of the view that the chances of the banks and the third parties to call upon the corporate guarantees are remote.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group and of the Company is to ensure that entities of the Group would be able to continue as a going concern whilst maximising the return to shareholders through the optimisation of the debt and equity ratio. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group and the Company manage their capital structure and make adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 April 2022 and 30 April 2021.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital. The Group and the Company regularly reviews the gearing ratio to ensure they are at acceptable levels and within industry norms. Net debts are calculated as total borrowings and lease liabilities owing to financial institutions less short term fund and cash and bank balances. Capital represents equity attributable to the owners of the parent. A detailed calculation of the net debt is shown below:

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Borrowings	19	260,180	188,685	212,100	145,460
Lease liabilities owing to financial institutions	6	188	222	-	-
Less:					
- Short term fund	14	(28,271)	(27,791)	(28,271)	(27,791)
- Cash and bank balances	15	(30,298)	(36,470)	(23,976)	(30,648)
Net debt		201,799	124,646	159,853	87,021
Total capital		362,853	331,838	300,416	276,681
Gearing ratio		56%	38%	53%	31%

Pursuant to the requirements of Practice Note No. 17/2005 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital and such shareholders' equity is not less than RM40.0 million. The Group has complied with this requirement for the financial year ended 30 April 2022.

The Group is not subject to any other externally imposed capital requirements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Categories of financial instruments

Group	Amortised cost RM'000	Fair value through profit or loss RM'000	Total RM'000
2022			
Financial assets			
Trade and other receivables, net of prepayments	167,657	-	167,657
Short term fund	-	28,271	28,271
Cash and bank balances	30,298	-	30,298
Other investment	-	1,197	1,197
	197,955	29,468	227,423
Financial liabilities			
Trade and other payables	195,655	-	195,655
Borrowings	260,180	-	260,180
	455,835	-	455,835
2021			
Financial assets			
Trade and other receivables, net of prepayments	124,405	-	124,405
Short term fund	-	27,791	27,791
Cash and bank balances	36,470	-	36,470
Other investment	-	1,596	1,596
	160,875	29,387	190,262
Financial liabilities			
Trade and other payables	118,564	-	118,564
Borrowings	188,685	-	188,685
Derivative financial liabilities	-	31	31
	307,249	31	307,280

NOTES TO THE FINANCIAL STATEMENTS
30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Categories of financial instruments (cont'd)

Company	Amortised cost RM'000	Fair value through profit or loss RM'000	Total RM'000
2022			
Financial assets			
Trade and other receivables, net of prepayments	204,189	-	204,189
Short term fund	-	28,271	28,271
Cash and bank balances	23,976	-	23,976
Other investment	-	1,197	1,197
	228,165	29,468	257,633
Financial liabilities			
Trade and other payables	81,149	-	81,149
Borrowings	212,100	-	212,100
	293,249	-	293,249
2021			
Financial assets			
Trade and other receivables, net of prepayments	163,258	-	163,258
Short term fund	-	27,791	27,791
Cash and bank balances	30,648	-	30,648
Other investment	-	1,596	1,596
	193,906	29,387	223,293
Financial liabilities			
Trade and other payables	67,706	-	67,706
Borrowings	145,460	-	145,460
Derivative financial liabilities	-	31	31
	213,166	31	213,197



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

- (i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, current portion of amounts owing by subsidiaries, trade and other payables and borrowings, are reasonable approximation of fair value either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

- (ii) Non-current amounts owing by subsidiaries, non-current amount owing to a corporate shareholder of a subsidiary and long-term borrowing.

The fair values of these financial instruments are estimated by discounting the expected future cash flows at market incremental borrowing rates for similar types of lending at the end of the reporting period.

- (iii) Short term fund and other investment

The fair values of short term fund and other investment are determined by reference to the exchange quoted market bid price at the close of the business at the end of each reporting period.

- (iv) Derivative financial liabilities

The fair value of the derivatives are determined by using mark-to-market values at the end of the reporting date and changes in the fair value are recognised in profit or loss.

(d) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Fair value, which is determined for disclosure purposes, is calculated based on the present value of non-derivative financial liabilities of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value hierarchy (cont'd)

The significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial instrument	Valuation technique used	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value
<u>Financial assets</u>			
Non-current amounts owing by subsidiaries	Discounted cash flows method	Discount rates 3.4% (2021: 3.1% – 6.0%)	The higher the discount rate, the lower the fair value of the assets would be.
<u>Financial liability</u>			
Non-current amount owing to a corporate shareholder of a subsidiary	Discounted cash flows method	Discount rates 3.4% (2021: 3.1%)	The higher the discount rate, the lower the fair value of the liability would be.

The following table sets out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amount shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2022								
Financial assets								
Financial assets at fair value through profit or loss								
Other investment – quoted shares in Malaysia	1,197	-	-	-	-	-	1,197	1,197
Short term fund	28,271	-	-	-	-	-	28,271	28,271
Financial liabilities								
Term loans	-	-	-	-	35,124	-	35,124	38,600
Non-current amount owing to a corporate shareholder of a subsidiary	-	-	-	-	-	14,082	14,082	14,561


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value hierarchy (cont'd)

The following table sets out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amount shown in the statements of financial position. (cont'd)

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2021								
Financial assets								
Financial assets at fair value through profit or loss								
Other investment - quoted shares in Malaysia	1,596	-	-	-	-	-	1,596	1,596
Short term fund	27,791	-	-	-	-	-	27,791	27,791
Financial liabilities								
Term loans	-	-	-	-	34,245	-	34,245	42,400
Non-current amount owing to a corporate shareholder of a subsidiary	-	-	-	-	-	8,460	8,460	9,271
Derivative financial liabilities - forward currency contracts	-	31	-	-	-	-	31	31



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value hierarchy (cont'd)

The following table sets out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amount shown in the statements of financial position. (cont'd)

Company	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2022								
Financial assets								
Amortised cost								
Amounts owing by subsidiaries (non-current)	-	-	-	-	-	53,822	53,822	53,822
Financial assets at fair value through profit or loss								
Other investment - quoted shares in Malaysia	1,197	-	-	-	-	-	1,197	1,197
Short term fund	28,271	-	-	-	-	-	28,271	28,271
Financial liability								
Term loans	-	-	-	-	5,549	-	5,549	5,920


NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

34. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value hierarchy (cont'd)

The following table sets out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amount shown in the statements of financial position. (cont'd)

Company	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2021								
Financial assets								
Amortised cost								
Amounts owing by subsidiaries (non-current)	-	-	-	-	-	60,556	60,556	60,556
Financial assets at fair value through profit or loss								
Other investment - quoted shares in Malaysia	1,596	-	-	-	-	-	1,596	1,596
Short term fund	27,791	-	-	-	-	-	27,791	27,791
Financial liabilities								
Term loans	-	-	-	-	6,223	-	6,223	7,400
Derivative financial liabilities - forward currency contracts	-	31	-	-	-	-	31	31

**NOTES TO THE FINANCIAL STATEMENTS**

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for the shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group and the Company are exposed mainly to credit risk, liquidity and cash flow risk, interest rate risk, foreign exchange risk and market risk. It is, and has been throughout for the current and previous financial years, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

Information on the management of the related exposures is detailed below.

(a) Credit risk

Cash deposits and trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. In order to manage this risk, it is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade receivables. The trading terms of the Group with its customers are mainly on credit. Each customer has a maximum credit limit and the Group seeks to minimise and monitor the credit risk via strictly limiting the associations to business customers with high creditworthiness. Trade receivables are monitored on an ongoing basis through the management reporting procedures of the Group.

Exposure to credit risk

As at the end of each reporting period, no collateral has been obtained by the Group. The maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

At the end of each reporting period, other than the amounts owing by the subsidiaries amounting to RM69,655,000 (2021: RM61,358,000), which represent 33% (2021: 37%) of trade and other receivables of the Company, there is no significant concentration of credit risk of the Group and of the Company.

Information regarding trade and other receivables is disclosed in Note 13 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Credit risk concentration profile (cont'd)

The Group does not have any significant concentration of credit risk related to any individual customers or counterparty as at the end of the reporting year. In addition, the Group also determines concentration of credit risk by monitoring the currency of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties) at the end of the reporting period is as follows:

	Group		Group	
	2022	% of	2021	% of
	RM'000	total	RM'000	total
Malaysia	123,085	86	102,630	89
Singapore	11,611	8	6,014	5
United States of America	8,811	6	6,420	6
Others	*	*	*	*
	143,507	100	115,064	100

	Company		Company	
	2022	% of	2021	% of
	RM'000	total	RM'000	total
Malaysia	123,206	94	94,161	94
Singapore	25	*	143	*
United States of America	8,526	6	5,888	6
	131,757	100	100,192	100

* Amount is less than 1%

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

Prudent liquidity risk management is applied by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining the flexibility in funding by keeping committed credit lines available.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

30 April 2022	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	181,094	14,561	-	195,655
Lease liabilities	1,372	1,192	112	2,676
Borrowings	232,984	33,190	-	266,174
Total undiscounted financial liabilities	415,450	48,943	112	464,505
Company				
Financial liabilities				
Trade and other payables	81,149	-	-	81,149
Lease liabilities	1,777	870	27	2,674
Borrowings	208,960	4,771	-	213,731
Total undiscounted financial liabilities	291,886	5,641	27	297,554



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity and cash flow risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations. (cont'd)

30 April 2021	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	109,293	9,271	-	118,564
Lease liabilities	1,636	2,109	90	3,835
Borrowings	151,812	41,609	-	193,421
Derivative financial liabilities	31	-	-	31
Total undiscounted financial liabilities	262,772	52,989	90	315,851
Company				
Financial liabilities				
Trade and other payables	67,706	-	-	67,706
Lease liabilities	2,373	2,541	56	4,970
Borrowings	141,582	7,859	-	149,441
Derivative financial liabilities	31	-	-	31
Total undiscounted financial liabilities	211,692	10,400	56	222,148

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instrument of the Group and the Company would fluctuate because of changes in market interest rates.

The Group's and the Company's deposits placed with licensed banks, lease liabilities and borrowings are exposed to a risk of changes in their fair values due to changes in market interest rates. The Group's and the Company's borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not exposed to interest rate risk.

The Group and the Company borrow for operations at fixed and variable rates using term loans, trade financing facilities and lease liabilities. There is no formal hedging policy with respect to interest rate exposure.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk (cont'd)

The following tables set out the carrying amounts, the average effective interest rates as at the end of the reporting period and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

Group	Note	Average effective interest rate %	Total RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000
30 April 2022									
Fixed rates									
Deposits with licensed banks	15	1.15 - 1.57	8,050	8,050	-	-	-	-	-
Lease liabilities	6	2.52 - 5.50	(2,508)	(1,281)	(718)	(231)	(104)	(67)	(107)
Amount owing to a corporate shareholder of a subsidiary	21	3.40	(14,561)	-	(14,561)	-	-	-	-
Amounts owing to a related party	21	3.40	(48,060)	(48,060)	-	-	-	-	-
Term loans	20	4.49 - 5.64	(38,600)	(8,440)	(8,440)	(8,440)	(8,440)	(4,840)	-
Floating rates									
Bank overdrafts	19	6.45	(12,700)	(12,700)	-	-	-	-	-
Bankers' acceptances	19	2.34 - 3.12	(183,880)	(183,880)	-	-	-	-	-
Revolving credits	19	3.07 - 3.76	(25,000)	(25,000)	-	-	-	-	-
30 April 2021									
Fixed rates									
Deposits with licensed banks	15	1.20 - 1.63	18,710	18,710	-	-	-	-	-
Lease liabilities	6	2.52 - 5.50	(3,770)	(1,495)	(1,171)	(588)	(240)	(105)	(171)
Amount owing to a corporate shareholder of a subsidiary	21	3.10	(9,271)	-	-	(9,271)	-	-	-
Amounts owing to a related party	21	3.10	(23,294)	(23,294)	-	-	-	-	-
Term loans	20	4.49 - 6.20	(42,400)	(3,220)	(8,440)	(8,440)	(8,440)	(13,860)	-
Floating rates									
Bank overdrafts	19	7.70	(4,605)	(4,605)	-	-	-	-	-
Bankers' acceptances	19	2.20 - 3.34	(109,680)	(109,680)	-	-	-	-	-
Revolving credits	19	2.94 - 6.01	(32,000)	(32,000)	-	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk (cont'd)

The following tables set out the carrying amounts, the average effective interest rates as at the end of the reporting period and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk (cont'd):

Company	Note	Average effective interest rate %	Total RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000
30 April 2022									
Fixed rates									
Deposits with licensed banks	15	1.15 - 1.53	5,700	5,700	-	-	-	-	-
Lease liabilities	6	4.49 - 5.50	(2,553)	(1,700)	(530)	(196)	(70)	(31)	(26)
Amounts owing by subsidiaries	13	3.40	53,822	-	-	36,393	17,429	-	-
Term loan	20	4.49	(5,920)	(1,480)	(1,480)	(1,480)	(1,480)	-	-
Floating rates									
Bankers' acceptances	19	2.34 - 3.12	(181,180)	(181,180)	-	-	-	-	-
Revolving credits	19	3.07 - 3.76	(25,000)	(25,000)	-	-	-	-	-
30 April 2021									
Fixed rates									
Deposits with licensed banks	15	1.20 - 1.63	16,010	16,010	-	-	-	-	-
Lease liabilities	6	4.49 - 5.50	(4,668)	(2,197)	(1,580)	(558)	(208)	(72)	(53)
Amounts owing by subsidiaries	13	3.10 - 6.00	60,556	-	-	25,000	18,299	15,548	1,709
Term loan	20	4.49	(7,400)	(1,480)	(1,480)	(1,480)	(1,480)	(1,480)	-
Floating rates									
Bankers' acceptances	19	2.20 - 3.34	(106,060)	(106,060)	-	-	-	-	-
Revolving credits	19	2.94 - 6.01	(32,000)	(32,000)	-	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk (cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group and of the Company if interest rates at the end of reporting period changed by 50 basis points with all other variables held constant:

	Group		Company	
	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax
Floating rates				
Increase by 0.5% (2021: 0.5%)	(842)	(495)	(783)	(485)
Decrease by 0.5% (2021: 0.5%)	842	495	783	485

The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange rate risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Singapore Dollar ("SGD").

The Group and the Company also hold cash and bank balances denominated in foreign currencies for working capital purposes. Information regarding the currency exposure profile of cash and bank balances is disclosed in Note 15 to the financial statements.

During the financial year, the Group entered into foreign currency forward contracts to manage exposures to currency risk for trade payables which were denominated in currency other than the functional currency of the Group.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Foreign currency risk (cont'd)

There is no outstanding foreign currency forward contracts at the end of the financial year whereas the notional amount and maturity date of the foreign currency forward contracts outstanding in the previous financial year are as follows:

Group and Company 2021	Currency	Contract amount in foreign currency '000	RM'000 equivalent	Maturities within
Forward contracts used to hedge trade payables	USD	3,069	12,638	1 month

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group's and of the Company's profit after tax to a reasonably possible change in the USD and SGD exchange rates against the Ringgit Malaysia ("RM") respectively, with all other variables held constant. 5% is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

The sensitivity analysis includes outstanding balances denominated in foreign currencies.

	Group		Company	
	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax
USD/RM:				
- strengthened by 5% (2021: 5%)	(127)	54	(138)	33
- weakened by 5% (2021: 5%)	127	(54)	138	(33)
SGD/RM:				
- strengthened by 5% (2021: 5%)	278	285	1	6
- weakened by 5% (2021: 5%)	(278)	(285)	(1)	(6)

The exposures to the other currencies are not significant, hence the effects of the changes in the exchange rates are not explained above.

(e) Market risk

Market risk is the risk that the fair value of future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company are exposed to equity price risks arising from other investment and short term funds quoted in Malaysia. These instrument are classified as financial assets designated at fair value through profit or loss.

At the end of each reporting period, the maximum exposure of the Group and of the Company to market risk is represented by the total carrying amount of this financial asset recognised in the statements of financial position, which amounted to RM29,468,000 (2021: RM29,387,000). There has been no change to the exposure of the Group and of the Company to market risk or the manner in which the risk is managed and measured.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Market risk (cont'd)

Sensitivity analysis for market risk

The following table demonstrates the sensitivity of the Group and of the Company to the changes in market quoted prices for short term fund and other investment at the end of the reporting period, with all other variables held constant:

	Group		Company	
	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax	2022 RM'000 Profit after tax	2021 RM'000 Profit after tax
Effects of 100bp changes in market quoted prices to profit after tax				
- Other investment	9	12	9	12
- Short term fund	215	211	215	211

36. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

36.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
<i>Interest Rate Benchmark Reform – Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)</i>	1 January 2021
<i>Covid-19 – Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)</i>	1 April 2021

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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

36. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

36.2 IFRIC Agenda Decision - Over time transfer of constructed good (IAS 23)

The IFRS Interpretations Committee ('IFRIC') received a submission about the capitalisation of borrowing costs in relation to the construction of a residential multi-unit real estate development.

Based on the fact pattern described in the submission, the request asked whether the entity has a qualifying asset as defined in IAS 23 Borrowing Costs and, therefore, capitalises any directly attributable costs.

The IFRIC concluded in March 2019 that, in the fact pattern described in the request:

- i. Any receivable and contract asset that the entity recognises is not a qualifying asset.
- ii. Any inventory (work-in-progress) for unsold units under construction that the entity recognises is also not a qualifying asset because the unsold units are ready for its intended use or sale.

The MASB announced on 20 March 2019 that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The Group has implemented the requirements of this Agenda Decision during the financial year ended 30 April 2022. There is no material impact on the financial statements of the Group as at the end of reporting period.

36.3 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2022

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Disclosure of Accounting Policies</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i>)	1 January 2023
<i>Definition of Accounting Estimates</i> (Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>)	1 January 2023
<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> (Amendments to MFRS 112 <i>Income Taxes</i>)	1 January 2023
<i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i> (Amendment to MFRS 17 <i>Insurance Contracts</i>)	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2022 (CONT'D)

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) Since previous financial years, the Government of Malaysia imposed various phases of the Movement Control Order ("MCO") in response to the resurgence of the 2019 Novel Coronavirus infection ("COVID-19") pandemic, followed by the announcement of the National Recovery Plan ("NRP") in June 2021, which details a roadmap to control the COVID-19 pandemic while progressively reopening society and the economic sectors towards the new normal under four progressive phases.

The management has assessed the financial impact on the Group and the Company and are of the opinion that there were no material financial impact arising from the pandemic during the financial year and until the date of the authorisation of the financial statements. In addition, to mitigate its potential risks exposure, the Group and the Company has taken and will continue to take necessary steps to safeguard and preserve its financial condition, emphasising on liquidity management to meet its continuing financial commitments and liquidity needs of business operations.

Based on the assessment and information available at the date of authorisation of the financial statements, the Group and the Company has sufficient cash flows to meet its liquidity needs in the next twelve (12) months after the end of the reporting period. The Group and the Company do not anticipate significant supply disruptions and would continue to monitor their fund and operational needs.

- (b) On 17 May 2021, a wholly-owned subsidiary of the Group entered into a TSPA with TPESB and the existing tenant of the property, FTESB for the disposal of a parcel of freehold land together with all those industrial buildings and structures erected thereon within Lot 755, Jalan Subang 3, Sungai Penaga Industrial Park, 47610 Subang Jaya, Selangor Darul Ehsan held under title No. GM80, Lot 755 in Mukim of Damansara, District of Petaling, Negeri Selangor Darul Ehsan, for a total purchase consideration of RM31,000,000. The transaction was completed on 30 December 2021.
- (c) On 6 July 2021, the Company announced to undertake the proposed bonus issue of up to 186,364,750 new ordinary shares in the Company ("Bonus Shares") to be credited as fully paid-up, on the basis of three (3) Bonus Shares for every four (4) existing ordinary shares in the Company ("Proposed Bonus Issue"). The Proposed Bonus Issue was completed on 30 August 2021.

Accordingly, the enlarged issued and fully paid-up ordinary share capital of the Company is now RM125,771,000 comprising 434,850,699 ordinary shares.

- (d) The Russia-Ukraine conflict resulted in the imposition of various economic sanctions on Russia by several countries across the world. These developments resulted in soaring global commodities and energy prices and supply chain disruption.

As at the date of authorisation of the financial statements, the Russia-Ukraine conflict is still evolving and remains unpredictable. Consequently, the Group and the Company are unable to estimate the financial effects of the situation at this juncture. The Group and the Company are actively monitoring and managing the operations of the Group and the Company to minimise any impact arising from these developments.



LIST OF PROPERTIES

AS AT 30 APRIL 2022

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2022 RM'000	Date of Revaluation/ Acquisition*
1	Lot 11, Jalan Perusahaan 1 Kawasan Perusahaan Beranang 43700 Beranang Selangor Darul Ehsan	31	Leasehold 99 years expiring on 9.10.2099	167,982 (96,046)	Factory complex: Industrial land with single storey factory, 3-storey office block and warehouse	7,957	1.5.2011
2	Lot No 2.08 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	25	Freehold	248,216 (139,324)	Industrial complexes comprising warehouse 1, 2 and 3; anodising factory 1 and 2; powder coating factory	15,287	1.5.2011
3	Lot No. 2.11 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	21	Freehold	- (14,104)	Die shop	7,176	1.5.2011
	Lot No. 2.11 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	19	Freehold	- (64,088)	4-storey office building		
4	Lot No. 2.12 and 2.13 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	17	Freehold	176,557 (92,115)	A single storey warehouse with an annexed single storey loading bay with covered parking lot	11,434	1.5.2011
5	Lot No. 2.13A Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	17	Freehold	- (46,830)	Single storey warehouse annexed with double storey office	5,660	1.5.2011
6	Lot No. 2.46 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	15	Freehold	51,666 (24,664)	Single storey factory	2,903	1.5.2011
7	PT15145 HSD172073 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	7	Freehold	- (85,470)	Single storey warehouse annexed with double storey office	6,884	1.5.2011
8	PT15145 HSD172073 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	11	Freehold	- (107,360)	1½-storey factory with 2-storey utility building	13,305	1.5.2011

LIST OF PROPERTIES (CONT'D)
AS AT 30 APRIL 2022

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2022 RM'000	Date of Revaluation/ Acquisition*
9	PT20470 HSD184914 Jalan Perindustrian Mahkota 3/F Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	3	Freehold	- (39,127)	Single storey warehouse with 1½-storey office building	8,109	1.1.2020*
10	Lot 241 (PT 1075) Tingkat Perusahaan 6 Kawasan Perusahaan Perai 13600 Perai Pulau Pinang	29	Leasehold 60 years expiring on 21.2.2042	24,840 (11,875)	Industrial land with factory building and warehouse	779	1.5.2011
11	No. 4, Jalan IM3/6 Kawasan Perindustrian Sektor 1 Indera Mahkota Bandar Indera Mahkota 25000 Kuantan Pahang Darul Makmur	23	Leasehold 66 years expiring on 5.3.2062	44,844 (17,610)	A single storey warehouse cum office building	1,325	1.5.2011
12	Block C-18-1 Megan Avenue II No. 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur	24	Freehold	- (2,454)	A corner office suite Corporate office	914	1.5.2011
13	Seri Mutiara Apartment B-09-05, Jalan Persiaran Seri Alam Bandar Baru Seri Alam 81750 Masai Johor Darul Takzim	25	Freehold	- (840)	An apartment suite (1-bedroom) Vacant	68	1.5.2011
14	No. E-3-2, 3rd Floor Taman Pangsapuri Malim Balai Panjang 75250 Melaka	25	Freehold	- (850)	3-storey walk-up apartment Vacant	43	1.5.2011
15	No. 7 Jalan TTS 4/8 Taman Tasik Semenyih 43500 Semenyih Selangor Darul Ehsan	27	Leasehold 99 years expiring on 5.11.2094	3,154 (1,275)	Single storey bungalow house Staff hostel	136	1.5.2011
16	Lot 2038 College Heights Garden Resort Lot 21254 (PT14145) 71700 Pajam Negeri Sembilan Darul Khusus	N/A	Freehold	9,291 -	Vacant residential land	90	1.5.2011
17	Lot 2039 College Heights Garden Resort Lot 21255 (PT14146) 71700 Pajam Negeri Sembilan Darul Khusus	N/A	Freehold	9,289 -	Vacant residential land	90	1.5.2011

**LIST OF PROPERTIES (CONT'D)**

AS AT 30 APRIL 2022

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2022 RM'000	Date of Revaluation/ Acquisition*
18	Unit No.707, Block F Pusat Dagangan Phileo Damansara I No. 9, Jalan 16/11 Off Jalan Damansara 46350 Petaling Jaya Selangor Darul Ehsan	6	Freehold	- (2,121)	An office lot Tenanted	740	18.7.2015*
19	B-29-03, Setia City Residences No. 6, Jalan Setia Dagang AH U13/AH Setia Alam, Seksyen U13 40170 Shah Alam Selangor Darul Ehsan	4	Freehold	- (1,221)	Apartment Vacant	665	15.3.2021*
20	09-12 Blok B Residensi Laman Lapan Jalan Sutera Kuning, Taman Sutera 81200 Johor Bahru Johor Darul Takzim	7	Freehold	- (808)	Apartment Vacant	327	13.4.2021*

The properties leased by LB Aluminium Berhad and its subsidiaries are as follows:

21	Lot PLO 206 (PTD64090) No. 14, Jalan Angkasa Mas 5 Kawasan Perindustrian Tebrau II 81100 Johor Bahru Johor Darul Takzim ¹	29	Leasehold 60 years expiring on 14.4.2053	21,775 (12,782)	Industrial land with single storey factory annexed with 3-storey office	669	1.5.2011
22	Lot PLO 207 (PTD64089) No. 18, Jalan Angkasa Mas 5 Kawasan Perindustrian Tebrau II 81100 Johor Bahru Johor Darul Takzim ¹	25	Leasehold 60 years expiring on 14.4.2053	21,775 (16,274)	Industrial land with single storey factory annexed with 3-storey office	835	1.5.2011

The properties owned by subsidiaries are as follows:

23	Lot No. 2.11 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	N/A	Freehold	82,742 -	Industrial land	1,600	1.5.2011
24	No. 53, Jalan PBS 14/10 Taman Perindustrian Bukit Serdang 43300 Seri Kembangan Selangor Darul Ehsan	25	Leasehold 99 years expiring on 5.7.2100	2,002 (2,678)	An intermediate 1½-storey terraced factory	574	1.5.2011
25	No. 55, Jalan PBS 14/10 Taman Perindustrian Bukit Serdang 43300 Seri Kembangan Selangor Darul Ehsan	25	Leasehold 99 years expiring on 5.7.2100	2,002 (2,678)	An intermediate 1½-storey terraced factory	574	1.5.2011

LIST OF PROPERTIES (CONT'D)
AS AT 30 APRIL 2022

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2022 RM'000	Date of Revaluation/ Acquisition*
The properties owned by subsidiaries are as follows: (cont'd)							
26	Lot No. 2.13A Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Berang Selangor Darul Ehsan	N/A	Freehold	89,437 -	Industrial land	1,740	1.5.2011
27	PT20470 HSD184914 Jalan Perindustrian Mahkota 3/F Kawasan Perindustrian Mahkota 43700 Berang Selangor Darul Ehsan	N/A	Freehold	88,490 -	Industrial land	3,205	12.3.2015*
28	No. 11, Kaki Bukit Road 1 #03-07 Eunost Technolink Singapore 415939	16	Leasehold 60 years expiring on 8.7.2056	- (3,100)	1-storey shoplot	1,316	1.5.2011
29	Lot 846, Block 7, MTL D Jalan Demak Laut 3 Sejingkat Industrial Park 93050 Kuching Sarawak	27	Leasehold 60 years expiring on 18.8.2054	82,236 (60,245)	A single storey factory building and a single storey store with ancillary building	4,032	1.5.2011
30	Lot 847, Block 7, MTL D Jalan Demak Laut 3 Sejingkat Industrial Park 93050 Kuching Sarawak	27	Leasehold 60 years expiring on 18.8.2054	96,122 (32,648)	A double storey office building and a single factory building with ancillary building	2,099	1.5.2011
31	PT15145 HSD172073 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Berang Selangor Darul Ehsan	N/A	Freehold	457,337 -	Industrial land	8,300	1.5.2011
32	Lot 103836 Jalan Tasik Selatan 31 57000 Kuala Lumpur	N/A	Leasehold 99 years expiring on 11.9.2118	1,006,533 -	Residential land for property development	166,415	12.9.2019*
33	PT50112 HSD122704 Jalan Sri Permaisuri 6 56000 Kuala Lumpur	N/A	Leasehold 99 years expiring on 23.6.2120	290,206 -	Residential land for property development	38,506	24.6.2021*

Note:

¹ LB Aluminium Berhad has a 60 years lease from the registered proprietor, Johor Corporation, a body corporate established under the Johor Corporation Enactment 1995 to expire on 14 April 2053.



ANALYSIS OF SHAREHOLDINGS

AS AT 29 JULY 2022

STATISTICS ON ORDINARY SHAREHOLDINGS AS AT 29 JULY 2022

Issued and Paid Up Share Capital : RM125,770,795.00 comprising of 434,850,699 ordinary shares
 Class of Share : Ordinary Shares
 Voting Rights : One vote per Ordinary Share
 No. of Shareholders : 7,900

ANALYSIS OF ORDINARY SHAREHOLDINGS

Holdings	No. of Holders	Total Holdings	%
Less than 100	599	28,586	0.01
100 to 1,000	651	276,205	0.06
1,001 to 10,000	3,229	18,658,646	4.29
10,001 to 100,000	3,073	92,199,059	21.20
100,001 to less than 5% of issued shares	345	167,611,111	38.55
5% and above of issued shares	3	156,077,092	35.89
	7,900	434,850,699	100.00

DIRECTORS' INTEREST

Name	<----- Direct Interest ----->		<----- Indirect Interest ----->	
	No. of Shares Held	% of Total Shares	No. of Shares Held	% of Total Shares
Tan Sri Datuk Leow Chong Howa	131,203,460	30.17	-	-
Mark Wing Kong	6,376,125	1.47	-	-
Neoh Lay Keong	-	-	-	-
Leow Sok Hoon	32,144,882	7.39	-	-
Dato' Dr Mohd Husni Bin Ahmad	-	-	-	-
Yap Chee Woon	1,477,525	0.34	-	-
Toh Khiam Huat	-	-	-	-
Chew Kat Nyap	-	-	-	-
Teh Kok Heng	-	-	-	-
Leow Vinzie (Alternate Director to Tan Sri Datuk Leow Chong Howa)	-	-	-	-

SUBSTANTIAL SHAREHOLDERS

According to the registrar to be kept under Section 144 of the Companies Act, 2016, the following are the substantial shareholders of the Company:-

Name	<----- Direct Interest ----->		<----- Indirect Interest ----->	
	No. of Shares Held	% of Total Shares	No. of Shares Held	% of Total Shares
Tan Sri Datuk Leow Chong Howa	131,203,460	30.17	-	-
Leow Sok Hoon	32,144,882	7.39	-	-
	163,348,342	37.56	-	-

ANALYSIS OF SHAREHOLDINGS
AS AT 29 JULY 2022 (CONT'D)

THE THIRTY LARGEST SHAREHOLDERS AS AT 29 JULY 2022

No.	Name	No. of Shares	% of Total Shares
1	Tan Sri Datuk Leow Chong Howa	65,975,885	15.17
2	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Exempt An for Bank of Singapore Limited (Local)	65,227,575	15.00
3	Leow Sok Hoon	32,144,882	7.39
4	Leow Wei Seng	13,044,902	3.00
5	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Leow Keng Soon (E-KLC)	8,750,000	2.01
6	Mark Wing Kong	6,376,125	1.47
7	Leow Sok Hong	6,318,026	1.45
8	Tang Lean See	4,374,912	1.01
9	Alliancegroup Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Ta Kin Yan (7000778)	4,280,600	0.98
10	Lim Khuan Eng	4,112,500	0.95
11	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Ta Kin Yan	4,050,000	0.93
12	Tan Wan Lay	3,910,000	0.90
13	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Yeoh Ooi Chat (E-BBB/BBA)	3,440,000	0.79
14	Lim Kian Huat	2,181,375	0.50
15	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Wong Choy Fong	2,119,275	0.49
16	Gee Hin Engineering Sdn Bhd	2,102,850	0.48
17	Chin Chee Wah	1,893,675	0.44
18	Tay Ying Lim @ Tay Eng Lim	1,670,925	0.38
19	Ong Ken Sim	1,531,250	0.35
20	Yap Chee Woon	1,477,525	0.34
21	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Macrovention Sdn Bhd (E-BBB/BBA)	1,321,250	0.30
22	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Exempt An for OCBC Securities Private Limited (Client A/c-RES)	1,295,500	0.30
23	CGS-CIMB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Lee Leong Thai (Penang-CL)	1,233,925	0.28
24	Melodi Ragam Sdn Bhd	1,099,175	0.25
25	Koay Tze Seong	1,030,000	0.24
26	Low Chu Mooi	1,025,000	0.24
27	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Cheah Eng Guan (E-SPI/PLI)	1,015,150	0.23
28	Lee Kong Orl	1,011,000	0.23
29	Lee Eng Gee	997,675	0.23
30	Lai Kam Keong	962,500	0.22
		245,973,457	56.55

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PROXY FORM

CDS Account No.	
No. of shares held	



LB Aluminium Berhad [198501006093 (138535-V)]
(Incorporated in Malaysia)

I/We _____ Tel No.: _____
[Full name in block, NRIC/Passport/Company No.]

of _____
[Address]

being member(s) of **LB Aluminium Berhad**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No.:			
Email address:			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No.:			
Email address:			

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf, at the Annual General Meeting ("AGM") to be conducted on a fully virtual basis using the remote participation and voting facilities through the online meeting platform, TIIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 29 September 2022 at 10:00 a.m. or at any adjournment thereof, and to vote as indicated below:-

NO.	ORDINARY RESOLUTIONS	*FOR	*AGAINST
1.	To approve the payment of a first and final single tier dividend of 2.50 sen per ordinary share in respect of the financial year ended 30 April 2022.		
2.	To approve the payment of Directors' fees of RM400,000.00 for the financial year ended 30 April 2022.		
3.	To approve the payment of Directors' benefits of up to RM45,000.00 for the period from immediately after this annual general meeting until the next annual general meeting of the Company.		
4.	To re-elect Mr Toh Khiam Huat as Director.		
5.	To re-elect Mr Chew Kat Nyap as Director.		
6.	To re-elect Mr Teh Kok Heng as Director.		
7.	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	To approve Mr Toh Khiam Huat to continue to act as an Independent Director.		
9.	To approve Mr Chew Kat Nyap to continue to act as an Independent Director.		
10.	To approve Mr Teh Kok Heng to continue to act as an Independent Director.		
11.	To grant authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
12.	To approve the Proposed Renewal of Authority for Share Buy-Back.		
13.	To approve the Proposed Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature.		

* Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____, 2022.

^ Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated

Signature^
Member

NOTES:-

1. IMPORTANT NOTICE

The AGM will be conducted on a fully virtual basis using the remote participation and voting ("RPV") facilities through the online meeting platform, TIIH Online, provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") in Malaysia via its website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 29 September 2022 at 10:00 a.m.. Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the AGM via the RPV facilities provided by Tricor.

Please read these Notes carefully and follow the procedures in the Administrative Notes for the AGM in order to participate remotely via RPV.

- For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 22 September 2022. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM or appoint a proxy or proxies to participate on his/her/its behalf via RPV.
- A member who is entitled to participate at this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM via RPV.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- A member who has appointed a proxy or attorney or authorised representative to participate at the AGM via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via TIIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for the AGM.
- The appointment of a proxy may be made in hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:-

(i) In hard copy form

In the case of an appointment made in hard copy form, this proxy form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic means via facsimile

In the case of an appointment made by facsimile transmission, this proxy form must be received via facsimile at 03-2783 9222.

(iii) By electronic means via email

In the case of an appointment made via email transmission, this proxy form must be received via email at is.enquiry@my.tricorglobal.com.

For options (ii) and (iii), the Company may request any member to deposit original executed proxy form to Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur before or on the day of meeting for verification purpose.

(iv) By electronic form via TIIH Online

In the case of an appointment of a proxy made in electronic form, the proxy form must be deposited via TIIH Online website at <https://tiih.online>. Please follow the procedures as set out in the Administrative Notes for the electronic lodgement of proxy form.

- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

11. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging this proxy form is **Tuesday, 27 September 2022 at 10:00 a.m.**
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:-
- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

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LB ALUMINIUM BERHAD

[198501006093 (138535-V)]

c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur.

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LB
ALUMINIUM
BERHAD
[198501006093 (138535-V)]

Lot 11, Jalan Perusahaan 1, Kawasan Perusahaan Beranang,
43700 Beranang, Semenyih, Selangor Darul Ehsan.

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03-8725 8833 (Sales)

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03-8725 8886 (Sales)
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