



LB
ALUMINIUM
BERHAD

[198501006093 (138535-V)]

Creating
Sustainable
Value for a
Better Tomorrow

Creating Sustainable Value for a Better Tomorrow

At LB Aluminium Berhad, we firmly believe in the transformative power of Environmental, Social and Governance (“ESG”) best practices in illuminating the path towards a more resilient future for our organisation.

Even in the face of adversity, we have remained steadfast in driving ESG adoption across our operations. By leveraging sustainability principles to reimagine and reinvent how we build, sustain and live, we are confident that the Group will continue to thrive in the next growth phase on our journey of Creating Sustainable Value for a Better Tomorrow.



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



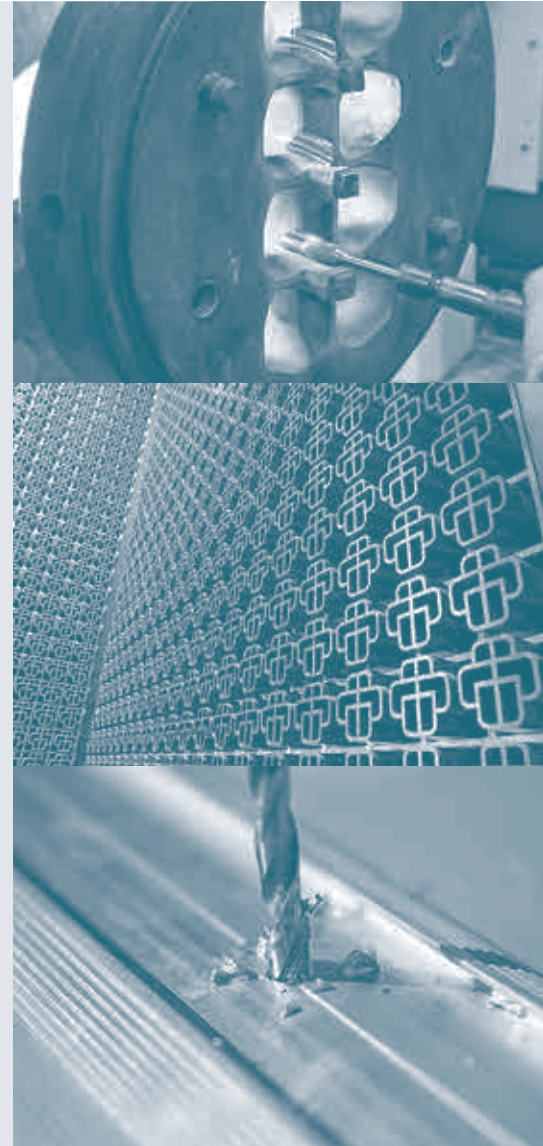
Stakeholders' Interest

- 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

CONTENTS

ANNUAL REPORT 2023

Corporate Profile	2
Notice of Annual General Meeting	4
Corporate Information	12
Profile of Directors and Senior Management Team	14
Corporate Governance Overview Statement	19
Additional Compliance Information	33
Statement on Risk Management and Internal Control	34
Sustainability Statement	40
Audit Committee Report	58
Executive Chairman's Statement	60
Management Discussion and Analysis	62
Branch Network	70
Financial Statements	72
List of Properties	170
Analysis of Shareholdings	174
Proxy Form	



ANNUAL GENERAL MEETING



VENUE

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



DATE

Wednesday,
27 September 2023



TIME

10:00 a.m.



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

CORPORATE PROFILE

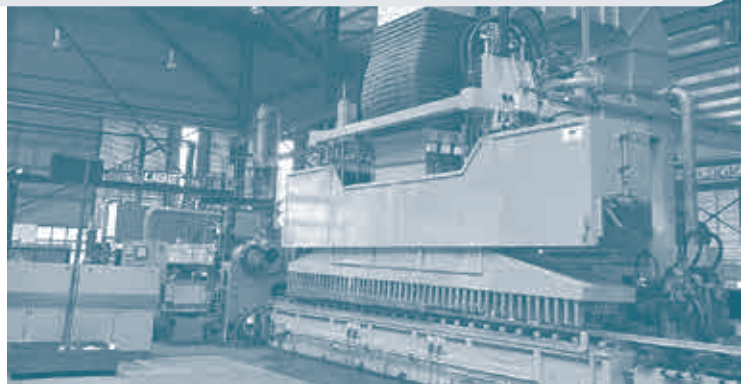
Incorporated in 1985, LB Aluminium Berhad is today the largest supplier of aluminium extrusion products in Malaysia and one of the largest aluminium extrusion manufacturers in South-East Asia.

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 2023 stood at RM391.4 million. For the financial year ended 30 April 2023 the Group posted a turnover of RM777.8 million.

**Shareholders
Funds**

**RM391.4
million**

**FY2022:
RM362.9 million**



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.

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.

CORPORATE PROFILE (CONT'D)

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.

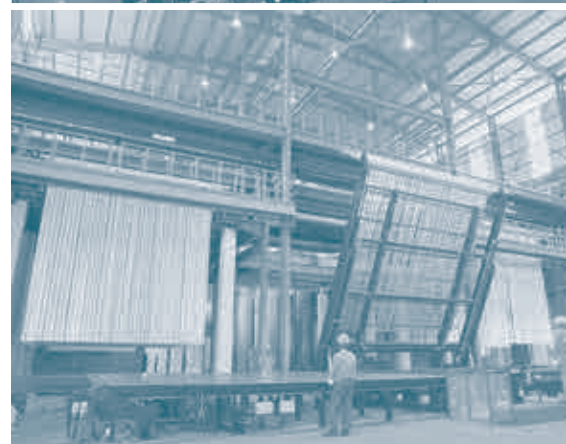
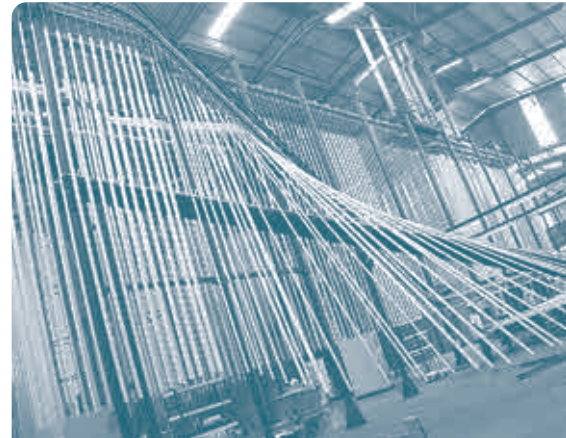
LB Aluminium Berhad has an extensive branch network with sales outlets cum warehouses in the major cities and towns in the Peninsular and East Malaysia and Singapore. Our export markets include destinations in North America, Europe, South Asia, Australia and New Zealand as well as South East Asia.

PROPERTY DEVELOPMENT BUSINESS

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

The Company's maiden project is Platinum OUG Residence, a residential project located at Kampung Muhibah, Kuala Lumpur. It is developed by the Company's 20%-owned associate, Vistarena Development Sdn Bhd, with a Gross Development Value ("GDV") of approximately RM468.0 million, and has been completed and entirely sold. Vistarena handed over the completed units to the house owners in the mid of 2022.

In addition, the Company has two subsidiaries involved in property development, namely Pembinaan Serta Hebat Sdn Bhd ("PSH") and Contras Build Sdn Bhd ("CBSB"). PSH has launched the Satu Anggota Satu Rumah ("SASaR") project with a GDV of RM633.8 million and the PSV 1 Residences project with a GDV of RM297.5 million, both located at Bandar Tasik Selatan, Kuala Lumpur. The SASaR and PSV 1 Residences projects are contributing positively to the Group. Meanwhile, CBSB is in the project planning stage.





NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“AGM”) 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 Wednesday, 27 September 2023 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 2023 together with the Reports of the Directors and Auditors thereon.
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 2023.
3. To approve the payment of Directors’ fees of RM391,000.00 for the financial year ended 30 April 2023.
4. To approve the payment of Directors’ benefits of up to RM45,000.00 for the period immediately after this AGM until the next AGM of the Company to be held in 2024.
5. To re-elect the following Directors who retire in accordance with Clause 76(3) of the Company’s Constitution:-
 - (i) Tan Sri Datuk Leow Chong Howa
 - (ii) Ms Leow Sok Hoon
6. To re-elect the following Directors who retire in accordance with Clause 78 of the Company’s Constitution:-
 - (i) Tuan Haji Ahmed Azhar Bin Abdullah
 - (ii) Mr Woon Wai En
7. To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

[Please refer to Explanatory Note 1 on Ordinary Business]

(Resolution 1)

(Resolution 2)
[Please refer to Explanatory Note 2 on Ordinary Business]

(Resolution 3)
[Please refer to Explanatory Note 2 on Ordinary Business]

[Please refer to Explanatory Note 3 on Ordinary Business]

(Resolution 4)
(Resolution 5)

[Please refer to Explanatory Note 4 on Ordinary Business]

(Resolution 6)
(Resolution 7)

(Resolution 8)
[Please refer to Explanatory Note 5 on Ordinary Business]

AS SPECIAL BUSINESS

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

8. **Ordinary Resolution(s)**
Continuation in Office as Independent Directors
 - (i) “THAT 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 AGM of the Company.”

[Please refer to Explanatory Note 1 on Special Business]

(Resolution 9)

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

- (ii) "THAT 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 AGM of the Company."
- (iii) "THAT 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 AGM of the Company."

(Resolution 10)**(Resolution 11)**

9. **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 12)

10. **Ordinary Resolution**
Proposed Renewal of Authority for Share Buy-Back Mandate

[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 13)

- (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 Renewal of Share Buy-Back Mandate").



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

AND THAT the authority to facilitate the Proposed Renewal of Share Buy-Back Mandate 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 Renewal of Share Buy-Back Mandate 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)

11. 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 14)

"THAT subject to the provisions of Bursa Malaysia Securities Berhad ("**Bursa Securities**") 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 2023, 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 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 next annual general meeting, such authority is renewed;
- (b) the expiration of the period within which the next annual general meeting 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."

12. 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 27 September 2023, the first and final single tier dividend of 2.50 sen per ordinary share in respect of the financial year ended 30 April 2023 will be paid on 18 October 2023 to Depositors whose names appear in the Record of Depositors on 3 October 2023.

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 3 October 2023 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 2023

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 Wednesday, 27 September 2023 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 20 September 2023. 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://tiih.online>. Procedures for RPV can be found in the Administrative Notes for the AGM.
9. The appointment of a proxy may be made 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.

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 **Monday, 25 September 2023 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.

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.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES TO ORDINARY BUSINESS (CONT'D)

2. Ordinary Resolutions 2 and 3 – Directors' Fees and Directors' Benefits

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 a 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 and 5 – 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 ("**MCCG**"), 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 2023. 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) Tan Sri Datuk Leow Chong Howa, the Executive Chairman of the Company, brings objectivity not only to the Board but as well as in the best interest of the Company. He leads the Board in establishing and monitoring good corporate governance practices in the Group and ensures the smooth functioning of the Board, the governance structure and inculcates positive culture in the Board. He is a founder of the Group and oversees the Group's business operation and provide valuable input to boost the Group's performance. He has exercised his due care and carried out his professional duties proficiently during his tenure as the Executive Chairman of the Company.
- (ii) Ms. Leow Sok Hoon, the Non-Independent Non-Executive Director of the Company, has vast experience in Business Administration. She provided insights and advice on business management to improve the efficiency of the Group as and when required. She has exercised her due care during her tenure as the Non-Independent Non-Executive Director of the Company.

4. Ordinary Resolutions 6 and 7 – Re-election of Directors who retire in accordance with Clause 78 of the Constitution of the Company

Tuan Haji Ahmed Azhar Bin Abdullah ("**Tuan Haji Ahmed Azhar**") and Mr Woon Wai En ("**Mr Woon**") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the AGM.

Pursuant to Practice 5.7 of the MCCG, the profiles of both Directors are set out in the Directors' profile of the Annual Report 2023. The Board has through the NC considered the assessment of the said Directors pursuant to the Fit and Proper Policy adopted by the Company and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the Listing Requirements of 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) Tuan Haji Ahmed Azhar, an Independent Non-Executive Director has demonstrated his independence through his engagement with the Board and Board Committees with a diverse set of expertise and perspective. Tuan Haji Ahmed Azhar also has exercised due care and fulfill his responsibilities proficiently during his tenure as an Independent Non-Executive Director as well as Chairman of both the NC and Remuneration Committee and a member of the Audit Committee.
- (ii) Mr Woon, fulfills the requirements of independence as set out in Practice Note 13 of the Listing Requirements of Bursa Securities. He is able to exercise independent judgment during Board deliberations and decision-making in the best interest of the Company. He also has exercised his responsibilities and duties as an Independent Non-Executive Director of the Company and as a member of the Audit Committee.

5. Ordinary Resolution 8 – 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.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)**EXPLANATORY NOTES TO SPECIAL BUSINESS****1. Ordinary Resolutions 9, 10 and 11 – 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.

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 checks and balances 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 9,10 and 11, 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 until the next AGM to be held in 2024.

2. Ordinary Resolution 12 – Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Resolution 12 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 29 September 2022 as there were no requirements for such fund raising activities.

The proposed Resolution 12, 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 or revoked/ varied by ordinary resolution of the Company at a general meeting, whichever is earlier.

3. Ordinary Resolution 13 – Proposed Renewal of Authority for Share Buy-Back Mandate

The proposed Resolution 13, 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 2023 in relation to the Proposed Renewal of Share Buy-Back Mandate for further details.

4. Ordinary Resolution 14 – 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 14, if passed, will allow the Company and 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 2023 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
(Resigned on 29 September 2022)

Independent Non-Executive Directors

Toh Khiam Huat

Chew Kat Nyap

Teh Kok Heng

Tuan Haji Ahmed Azhar Bin Abdullah
(Appointed on 16 November 2022)

Woon Wai En
(Appointed on 16 November 2022)

Dato' Dr Mohd Husni Bin Ahmad
(Resigned on 29 September 2022)

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
(Resigned on 29 September 2022)

Independent Non-Executive Directors

Tuan Haji Ahmed Azhar Bin Abdullah
(Appointed on 16 November 2022)

Woon Wai En
(Appointed on 16 November 2022)

Dato' Dr Mohd Husni Bin Ahmad
(Resigned on 29 September 2022)

NOMINATION COMMITTEE

Independent Non-Executive Director - Chairman
Tuan Haji Ahmed Azhar Bin Abdullah
(Appointed on 16 November 2022)

Senior Independent Non-Executive Director
Neoh Lay Keong
(Resigned on 29 September 2022)

Independent Non-Executive Directors

Chew Kat Nyap

Toh Khiam Huat
(Appointed on 27 October 2022)

Dato' Dr Mohd Husni Bin Ahmad
(Resigned on 29 September 2022)

REMUNERATION COMMITTEE

Independent Non-Executive Director – Chairman
Tuan Haji Ahmed Azhar Bin Abdullah
(Appointed on 16 November 2022)

Senior Independent Non-Executive Director
Neoh Lay Keong
(Resigned on 29 September 2022)

Independent Non-Executive Directors

Chew Kat Nyap

Toh Khiam Huat
(Appointed on 27 October 2022)

Dato' Dr Mohd Husni Bin Ahmad
(Resigned on 29 September 2022)

CORPORATE INFORMATION (CONT'D)**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: 201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Level 8
BDO PLT @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur

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
Email : info@my.tricorglobal.com

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
Email : binawin@binamg168.com

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 **65** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **16 April 1985**

Tan Sri Datuk Leow Chong Howa, aged 65, 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 Vice Chairman of A-Rank Berhad, and a Council Member of the Federation of Malaysian Manufacturers ("FMM")'s 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 committee member for Tung Shin Hospital's Chinese Medical Management Team as well as Western Medical Management Team.

Tan Sri Datuk Leow stands as the Permanent Honorary Group President of Persekutuan Persatuan-Persatuan Ann Koai Malaysia, and is a former Member of the FMM Council and a former Board of Trustee for Yayasan Lim Yee Hoh.

Mark Wing Kong **Chief Executive Officer**

Aged **64** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **15 March 1997**

Mark Wing Kong, aged 64, 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 **64** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **2 May 1997**

Yap Chee Woon, aged 64, 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 **51** | Gender **Female** | Nationality **Malaysian** | Date of Appointment **3 August 1993**

Leow Sok Hoon, aged 51, 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)

Toh Khiam Huat Independent Non-Executive Director

Aged **67** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **31 July 2013**

Toh Khiam Huat, aged 67, 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 of 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 and a member of the Nomination Committee and Remuneration Committee.

Chew Kat Nyap Independent Non-Executive Director

Aged **69** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **31 July 2013**

Chew Kat Nyap, aged 69, 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 an investment company. He then worked at an investment bank and last held the position of Senior Manager primarily focused on share registry and nominee services. He also acted as Chief Executive and subsequently Director/Adviser of an IPO issuing house and share registry service organisation till 2019. He also acted as adviser to a capital market service firm until early 2023.

Teh Kok Heng Independent Non-Executive Director

Aged **62** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **31 July 2013**

Teh Kok Heng, aged 62, 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 36 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 Dubai World Expo 2020 for numerous Countries Pavilions including Malaysia and Cambodia among others.

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



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

PROFILE OF DIRECTORS (CONT'D)

Tuan Haji Ahmed Azhar Bin Abdullah **Independent Non-Executive Director**

Aged **62** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **16 November 2022**

Tuan Haji Ahmed Azhar Bin Abdullah, aged 62, male, a Malaysian, is an Independent Non-Executive Director of LB Aluminium Berhad and was appointed to the Board on 16 November 2022. He holds a Degree in Bachelor of Science in Accounting from California State University (Fresno) and holds a Masters in Business Administration from California State University Dominguez Hills (Los Angeles).

Tuan Haji Ahmed Azhar commenced his career as an Internal Auditor with Malaysia Mining Corporation Berhad ("MMC"). In 1992 to 1995, he was appointed as General Manager for Bracken Services Ltd (London), a subsidiary of MMC Marketing Sdn Bhd based in London, responsible for operations and all financial matters. Upon his return, he served in various management capacities within the MMC Group. He joined Gas Malaysia Sdn Bhd in November 2000 and was the Head of the residential and commercial sales unit for natural gas and liquefied petroleum gas until March 2005. From 2005 to 2010, Tuan Haji Ahmed Azhar was the Executive Director of MOCCIS Furniture Sdn Bhd and MCCM Marketing Sdn Bhd. Thereafter, he continued his career with Tanjak Group as Head of Finance and Corporate from 2010 to 2012.

Tuan Haji Ahmed Azhar is currently the Chief Operating Officer of Izrin & Tan Properties Sdn Bhd and the Chairman of Epicon Berhad (formerly known as Konsortium Transnasional Berhad).

Tuan Haji Ahmed Azhar is the Chairman of the Nomination Committee and Remuneration Committee and a member of the Audit Committee.

Woon Wai En **Independent Non-Executive Director**

Aged **60** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **16 November 2022**

Woon Wai En, aged 60, male, a Malaysian, is an Independent Non-Executive Director of LB Aluminium Berhad and was appointed to the Board on 16 November 2022. Mr Woon is a member of the Malaysian Institute of Accountants (MIA) and also a Fellow Member of the Chartered Institute of Management Accountants.

He started his career as an Accounts Executive with Mechmar Berhad in 1989. From 1990 to 1993, he was with Welcome Pharmaceutical (M) Sdn Bhd as an Accounts Manager. He then joined VADS Berhad from 1993 to 2005 where his last held position was a General Manager for Business Support Services. He subsequently joined Moccis Trading Sdn Bhd as its Chief Financial Officer from 2005 to 2009.

From 2012 to 2016, he was with Kris Sakti Holdings Sdn Bhd, an investment holding company as its Chief Financial Officer. Mr. Woon was the Group Chief Operating Officer of Sarawak Cable Berhad, a position he held since joining the company in 2017 until his retirement in January 2022. He is an Independent Non-Executive Director in Apex Equity Holdings Berhad since 20 June 2022.

He is a member of the Audit Committee.

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

Leow Vinzie Alternate Director to Tan Sri Datuk Leow Chong Howa

Aged **37** | Gender **Female** | Nationality **Malaysian** | Date of Appointment **29 June 2021**

Leow Vinzie, aged 37, 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 as 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.

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 2023 which is despatched together with this Annual Report, none of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

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 2023.

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 **58** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **1 June 2016**

Steven Chia King Ling, aged 58, male, a Malaysian, is the General Manager of LB Aluminium Berhad. He was appointed as 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 30 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 **45** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **25 October 2019**

Lim Soo Wai, aged 45, male, a Malaysian, is the Senior Operation Manager of LB Aluminium Berhad. He was appointed as 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 22 years of experience in manufacturing of aluminium extrusions and has joined the Company since graduating from USM.

Wong Say Young **Head of Finance**

Aged **47** | Gender **Male** | Nationality **Malaysian** | Date of Appointment **1 October 2020**

Wong Say Young, aged 47, male, a Malaysian, is the Head of Finance of LB Aluminium Berhad. He was appointed as 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 or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. 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 2023.

They also do not hold any directorship in other 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 on the Company’s website at www.lbalum.com as well as Bursa Securities’ 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 2023.

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 a 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 Committee 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 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 ensure 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 2023 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 or 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 Khiam 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 of 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 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 checks and balances 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 testified to their dedication to discharging the responsibilities expected of an Independent Director.

Mr Neoh Lay Keong and Dato' Dr Mohamad Husni Bin Ahmad, the Independent Non-Executive Directors, who have served the Company for more than 12 years, resigned after the conclusion of the Annual General Meeting held on 29 September 2022 in order to comply with the amended definition of an Independent Director, whereby an Independent Director who has served for more than nine (9) years must resign or be re-designated as a Non-Independent Director.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (cont'd)

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 2023, the NC reviewed the background and skills of both Tuan Haji Ahmed Azhar Bin Abdullah and Mr Woon Wai En and recommended to the Board for their appointment as the Company's Independent Non-Executive Directors on 16 November 2022 following the resignation of Mr Neoh Lay Keong and Dato Dr Mohd Husni Bin Ahmad as Company's Directors on 29 September 2022. Furthermore, the NC had conducted the Fit and Proper assessments prior to their appointments.

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 re-election by shareholders of the Company at the next 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 pursuant to Clause 76(3) of the Constitution, and being eligible, offer themselves for re-election:

- Tan Sri Datuk Leow Chong Howa
- Ms Leow Sok Hoon

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

II. Board Composition (cont'd)

Re-election of Directors (cont'd)

For the forthcoming AGM, the following newly appointed Directors will retire by rotation pursuant to Clause 78 of the Constitution, and being eligible, offer themselves for re-election:

- Tuan Haji Ahmed Azhar Bin Abdullah
- Mr Woon Wai En

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 2023.

In determining whether to recommend a Director for re-election, the aforesaid Directors' time commitment such as attendance at meetings, participation, contribution to the activities of the Board, character, integrity and experience had been considered by the NC.

The NC had on 29 March 2023 at its NC meeting conducted the assessment pursuant to the Directors' Fit and Proper Policy, was satisfied that the abovementioned Directors have met the requirements set out above and recommended to the Board for their re-election at the forthcoming AGM.

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 a Company's Independent Non-Executive Director.

During the financial year ended 30 April 2023, three (3) 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
Tuan Haji Ahmed Azhar Bin Abdullah (Chairman) <i>(Appointed on 16 November 2022)</i>	1/1
Chew Kat Nyap	3/3
Toh Khiam Huat <i>(Appointed on 27 October 2022)</i>	2/2
Neoh Lay Keong <i>(Resigned on 29 September 2022)</i>	1/1
Dato' Dr Mohd Husni Bin Ahmad <i>(Resigned on 29 September 2022)</i>	1/1

The NC's Terms of Reference and the Fit and Proper Policy that guide the NC on the appointment and re-appointment of Directors can be viewed on the Company's website at www.lbalum.com.

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 Independent Non-Executive Directors are not compromised, the NC performs yearly assessment on the independence of the Independent Non-Executive 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 2023, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive 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 five (5) times during the financial year under review and the details of the Directors' attendance are as follows:

Name of Directors	Number of Board Meeting Attended
Tan Sri Datuk Leow Chong Howa	5/5
Mark Wing Kong	5/5
Yap Chee Woon	5/5
Leow Sok Hoon	5/5
Toh Khiam Huat	5/5
Chew Kat Nyap	5/5
Teh Kok Heng	5/5
Tuan Haji Ahmed Azhar Bin Abdullah (<i>Appointed on 16 November 2022</i>)	2/2
Woon Wai En (<i>Appointed on 16 November 2022</i>)	2/2
Neoh Lay Keong (<i>Resigned on 29 September 2022</i>)	2/2
Dato' Dr Mohd Husni Bin Ahmad (<i>Resigned on 29 September 2022</i>)	2/2

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 ("MAP") Part I and will complete their MAP Part II before 1 August 2025 as 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 2023, the courses attended by the Directors include:

Name of Directors	Course / Seminar attended
Tan Sri Datuk Leow Chong Howa	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
Mark Wing Kong	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
Yap Chee Woon	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
	(iii) Dealing with Legal Letters of Demand: Practical Tips and Considerations Webinar organised by Tricor Services (Malaysia) Sdn Bhd
Leow Sok Hoon	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
Toh Khiam Huat	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
	(iii) Fraud Risk Management: Tools and Techniques organised by Malaysian Institute of Accountants
Chew Kat Nyap	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
Teh Kok Heng	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd
Tuan Haji Ahmed Azhar Bin Abdullah	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) Fraud Risk Management: Tools and Techniques organised by Malaysian Institute of Accountants
Woon Wai En	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) Fraud Risk Management: Tools and Techniques organised by Malaysian Institute of Accountants
Leow Vinzie	(i) 2023 Malaysian Budget Webinar organised by Tricor Taxand Sdn Bhd
	(ii) ESG Awareness Webinar organised by BDO Governance Advisory Sdn Bhd

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 2023, one (1) 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
Tuan Haji Ahmed Azhar Bin Abdullah (Chairman) (Appointed on 16 November 2022)	1/1
Chew Kat Nyap	1/1
Toh Khiam Huat (Appointed on 27 October 2022)	1/1
Neoh Lay Keong (Resigned on 29 September 2022)	-
Dato' Dr Mohd Husni Bin Ahmad (Resigned on 29 September 2022)	-

Terms of Reference

The details of the Terms of Reference of the RC are available on the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2023.

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 ED.

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 and Senior Management for the financial year ended 30 April 2023 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 Kham Huat (Chairman)	4/4
Tuan Haji Ahmed Azhar Bin Abdullah <i>(Appointed on 16 November 2022)</i>	2/2
Woon Wai En <i>(Appointed on 16 November 2022)</i>	2/2
Neoh Lay Keong <i>(Resigned on 29 September 2022)</i>	2/2
Dato' Dr Mohd Husni Bin Ahmad <i>(Resigned on 29 September 2022)</i>	2/2

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 has on 29 March 2023, reviewed and was 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 2023 before recommending to the Board for the re-appointment of BDO PLT as External Auditors for the financial year ending 30 April 2024.

Subsequently, the Board table the same at the forthcoming AGM for the shareholders' approval.

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 2023 as well as the notes to the financial statements herein provide further details on these related party transactions.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

I. Audit Committee (cont'd)

Terms of Reference

The details of the Terms of Reference of the AC are available on the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2023.

Summary of Work Conducted

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

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 RM167,954.

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 on the Company's website at www.lbalum.com. The Board had reviewed and approved the Policy on 29 March 2023.



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 previous AGM held on 29 September 2022 ("2022 AGM") were made available to the Company shareholders at least twenty-eight (28) days before the meeting. The Company also published the notice of the 2022 AGM in a national newspaper and is available on the Company's website at www.lbalum.com. The notice 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 27 September 2023.

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 2023, the Company conducted fully virtual 2022 AGM using remote participation and voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd. All the Board members attended the 2022 AGM, and the Board responded to the pre-meeting and live questions from the shareholders. The minutes of the meeting was uploaded and available for viewing on the Company's website at www.lbalum.com within 30 business days from the date of the meeting.

Voting at Meetings

The Company appointed a poll administrator and a scrutineer for the poll voting process of the 2022 AGM. Following the MMLR, the Board put all resolutions to vote by poll at the meeting 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 financial year ended 30 April 2023, 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 2023

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 2023 amounted to RM19,800 for the Company and RM60,155 for the Group respectively (2022: RM107,650 for the Company and RM181,336 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 2023 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 2023 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	89,619	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	13,969	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 2023.

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 2023.

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 Main Market Listing Requirements (“MMLR”) 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;
- Meeting existing regulatory requirements on risk management; and
- Ensuring that sustainability is integrated into our long-term growth strategy.

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 on 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 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 based 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 Conduct to promote ethical conduct to disclose any confirmed or potential conflict of interest.

The ABC Policy is published on 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 as well as establishing a back-up recovery system.
- 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 as evidenced by the range of controls and processes that have already been established, to create efficiencies by aligning and streamlining processes throughout the organization.
- Given the heightened awareness of sustainability matters among investors, customers, non-governmental organizations and policy makers, the Group in responding to requests for information on its ESG efforts is in the process of setting a set of sustainability standards and frameworks as well as evaluating any material ESG impacts of our business operations.

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 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 MMLR.
- By treating tax transparency as an enabler of sound ESG corporate commitments, the Group is committed to paying our share of taxes, recognising our role in the development of Malaysia and continues to contribute significantly towards nation-building efforts and socioeconomic development in our society.

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. All recurrent related party transactions are dealt with in accordance with the MMLR of Bursa. The Audit Committee and the Board review the recurrent related party transactions at the respective meetings of the Audit Committee and the Board.

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)

- 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.
- Our Group's performance management system emphasises the importance of continuous engagement with our employees in managing their performance towards achieving a high-performance work culture. The system focuses on aligning our Group's goals and values by cascading common KPIs to all employees to drive the culture of creativity, inclusivity and accountability while promoting group-wide collaboration. Employees' performance and achievements are appraised on an annual basis.
- 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 and raw material costs, 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 Audit Committee and 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 the MMLR, 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 2023 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 2023.



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, Social and Governance 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 Guidelines and Period

This report is prepared based on the following guidelines and accounted for our Economic, Environmental, Social and Governance activities from 1 May 2022 to 30 April 2023 which coincide with our financial year ended 30 April 2023:

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

Feedback and Comments

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

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 Group 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.

SUSTAINABILITY STATEMENT (CONT'D)

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 Economic, Environmental, Social and Governance 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 Group 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, South Asia, Australia and New Zealand as well as South East Asia.

ASSESSMENT OF MATERIAL MATTERS

Materiality assessments are integral to the Group's value creation journey as they enable us to identify and assess key risks and opportunities to ensure long-term sustainable growth. A thorough materiality assessment will help us further engage with our stakeholders and improve our understanding on the material matters that are most important to the Group and our stakeholders.

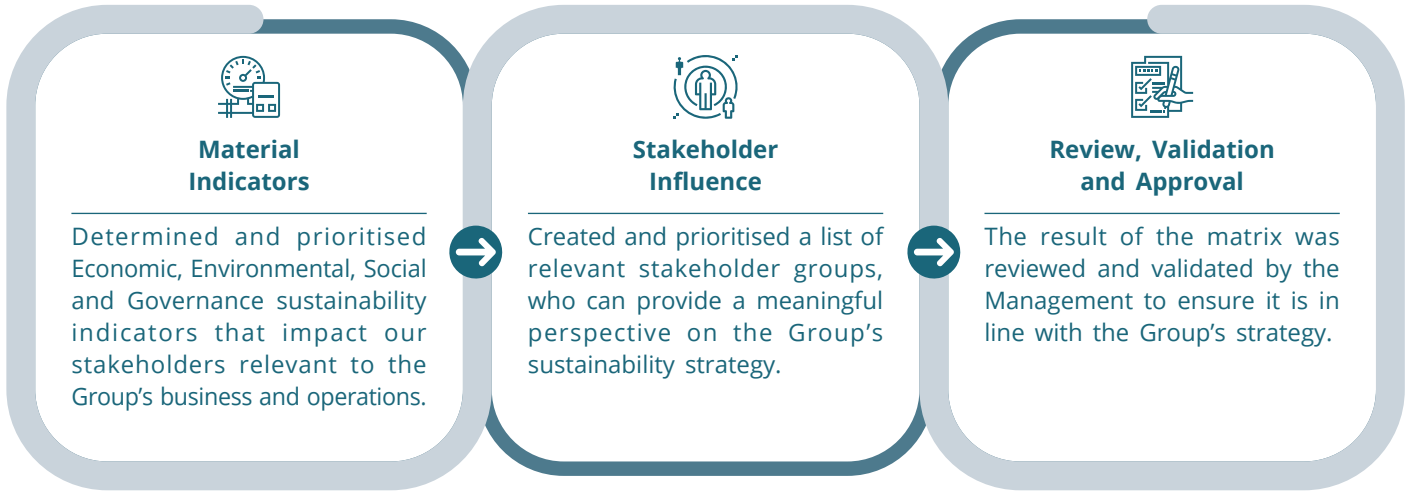
It is vital for us to review our material matters periodically amid the rapidly evolving Economic, Environmental, Social and Governance landscape to ensure that they remain relevant to the emerging themes that are important to our stakeholder groups. Economic, Environmental, Social and Governance point us to what matters and what is important to be monitored and measured, because what gets measured gets managed.

We have used a materiality identification and prioritisation process to identify the most relevant key issues to help guide our actions to achieve sustainable improvements.



SUSTAINABILITY STATEMENT (CONT'D)

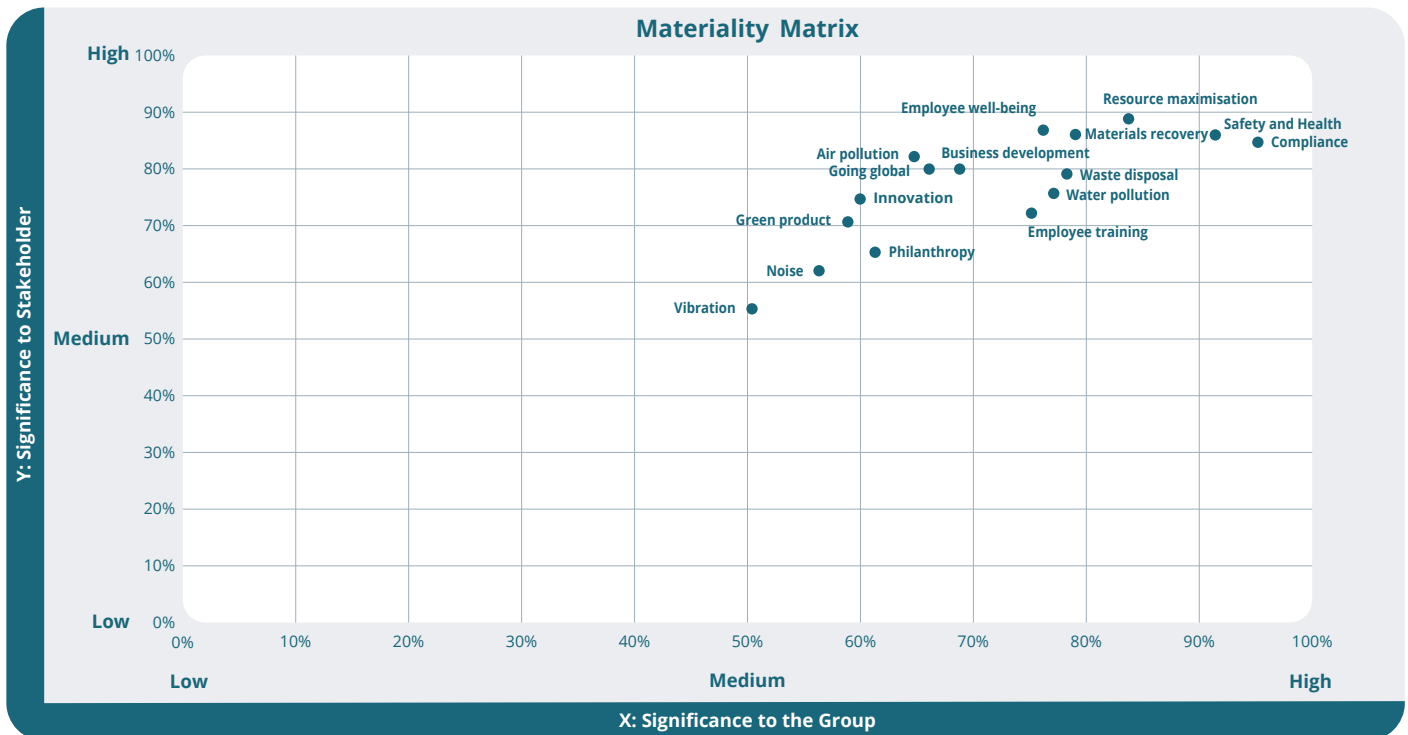
MATERIALITY PROCESS



Materiality Matrix

The outcome of our materiality assessment in terms of the significance of the Economic, Environmental, Social and Governance 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 Economic, Environmental, Social and Governance 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.




SUSTAINABILITY STATEMENT (CONT'D)

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.

STAKEHOLDER ENGAGEMENT



We define our stakeholders as groups whom our business has a significant impact on and those with a vested interest in our operations. We believe that actively engaging with and working in partnership with our stakeholders is crucial to address key priorities. The table below shows the list of stakeholders with whom we engage along with the value chain which 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	Material Matters	Responses
 Shareholders	The Group's financial performance	<ul style="list-style-type: none"> • Business Ethics • Economic Performance • Systematic Risk Management 	<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 • We implement strategies to enhance business and financial resilience • Policies are in place to inculcate good corporate governance, curb bribery and corruption and promote integrity within the Group
	Communication with shareholders		<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

SUSTAINABILITY STATEMENT (CONT'D)

Stakeholder Group	Concerns	Material Matters	Responses
 Employees	<p>Occupational safety and health</p> <hr/> <p>Career development</p>	<ul style="list-style-type: none"> Employee Engagement Employee Health and Safety Training and Education Labour Practices 	<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 We are governed by the Employment Act 1995 and all other relevant labour laws of Malaysia that reflect the protection of human rights through fair working hours, fair payment of wages and fair treatment of all without differentiation in age, gender, race and religion <hr/> <ul style="list-style-type: none"> We provide holistic and structured training and development programmes that help employees achieve their personal goals and the Group's collective goals as an organisation 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"> Economic Performance Business Ethics 	<ul style="list-style-type: none"> Conducting site visits at the suppliers' premises Maintaining two-way communication with suppliers Fair and ethical procurement process Policies are in place to inculcate good corporate governance, curb bribery and corruption and promote integrity within the Group
 Community	<p>Community development</p>	<ul style="list-style-type: none"> Community Waste and Hazardous Waste Materials Management Water and Effluents Management 	<ul style="list-style-type: none"> Donations to schools, charity foundations and welfare bodies Distribution of gifts to the needy during festivals Disposal of waste and hazardous waste materials and discharge of water and effluents in accordance with relevant laws and regulations We worked together to advocate waste reduction

SUSTAINABILITY STATEMENT (CONT'D)

Stakeholder Group	Concerns	Material Matters	Responses
 Customers	Quality of products, after-sales service and on-time delivery	<ul style="list-style-type: none"> • Product Quality and Safety • Innovation • Customer Welfare 	<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 • We strive towards innovation, product quality and safety and customer service excellence in order to maintain our competitive advantage as well as accelerate customers’ engagement • We have put in place a cybersecurity system to mitigate cyberattacks and protect the data privacy of our stakeholders
 Government	Statutory compliance	<ul style="list-style-type: none"> • Business Ethics • Ecological Impacts • Employee Health and Safety • Labour Practices 	<ul style="list-style-type: none"> • Conducting relevant trainings for employees • Strict monitoring to ensure compliance with relevant rules and regulations • We uphold good corporate governance through policies such as the Code of Conduct and Anti-Bribery and Corruption (“ABC”) Policy to ensure regulatory compliance

ECONOMIC, ENVIRONMENTAL, SOCIAL AND GOVERNANCE
1. ECONOMIC
• Investor / Shareholder

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:

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

SUSTAINABILITY STATEMENT (CONT'D)

• 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:

- i. 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;
- ii. We engage in ethical procurement practices by adopting standard and equitable procedures in evaluating the vendors' qualifications;
- iii. We ensure that the supplied products are in accordance with the Group's requirements and standards;
- iv. We conduct an evaluation of suppliers to verify that the required standards are satisfied in the supply chain; and
- v. We conduct appropriate due diligence assessments to ensure that the prospective Third Party is not likely to commit an act of bribery or corruption in the course of its work with the Group by obtaining written declaration from Third Parties and through completion of a Third Party Due Diligence Form on their adherence to the ABC Policy requirements.

• 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.

i. **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.

ii. **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.

iii. **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 any 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) **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.

SUSTAINABILITY STATEMENT (CONT'D)
d) 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.

e) 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.

The success of our businesses is highly dependent on creating a positive customer experience. We take a customer-centric approach in everything we do and ensure our employees receive appropriate training in customer service so that we continue to deliver a great experience and build brand trust and provides immediate assistance to any customer queries or complaints.

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

Customer Satisfaction Survey					
Rating Criteria	Scores (out of 100%)				
	2018	2019	2020	2021	2022
Quality	78%	78%	84%	86%	86%
Finishing	78%	78%	85%	86%	85%
Delivery	79%	81%	85%	87%	85%
Price	69%	70%	77%	77%	76%
After Sales Service	83%	82%	88%	88%	89%
Technical Support	77%	79%	86%	85%	87%
Overall	78%	78%	84%	85%	87%

f) Data Privacy and Security Control

We are committed to upholding robust and comprehensive privacy controls while practising the highest standards of data governance, thereby preventing breaches to our systems and unauthorised access to customer data.

2. 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.



SUSTAINABILITY STATEMENT (CONT'D)

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.

Additionally, we ensure that management of chemicals, scheduled waste, solid waste, fire hazards, open burning, smoke emission control, dust control, noise control and wastewater and sewage control, are implemented at our factory sites. We also conduct air, water and noise monitoring on periodically basis across our factory sites.

i. 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					
	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023
% of Recycled Aluminium	24%	25%	25%	22%	23%

ii. 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.

SUSTAINABILITY STATEMENT (CONT'D)
iii. Scheduled Waste

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	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023
Aluminium Hydroxide (kg)	907,543	797,802	885,100	650,890	1,327,524
Aluminium Scrap and Saw Dust (kg)	149,798	70,139	84,379	60,496	42,580
Iron Scrap (kg)	74,980	38,511	35,430	26,800	34,590
Broken Mould (kg)	64,015	113,590	78,010	32,370	62,050
Paper and Plastic (kg)	41,782	25,614	44,568	42,791	48,934

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.

iv. 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

To ensure we comply with all regulations and laws, 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					
	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023
Volume (m ³)	424,317	353,127	415,426	359,228	351,003

SUSTAINABILITY STATEMENT (CONT'D)

v. Energy Management

The Group is committed to efficient energy management as we recognise the key role it plays in reducing emissions. The key to saving energy in our organisation is **"Smart Energy Management"** – optimised energy conservation through cleaner and more efficient resources such as natural gas and solar power.

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. Environmentally friendly initiatives had also been taken by our property segment including using light weight block and panel, LED lighting, solar pole lights in the common areas and providing 5-star inverter air conditioner units to house buyers.

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

Energy Consumption					
Nature of Waste	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023
Diesel (litres)	97,723	84,374	93,077	91,337	78,957
Natural Gas (Sm3)	3,901,824	3,425,980	3,896,246	3,418,307	2,942,177
Electricity (kWh)	40,359,516	34,859,854	37,663,160	37,202,483	33,445,315

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 have invested and will continue to invest in a number of core energy-saving programmes since the start of our sustainability journey including installing solar photovoltaic systems wherever possible. We currently have four solar photovoltaic rooftop projects with a total capacity of 3.33 MWp installed at our Beranang factory. We are in the process of adding another two solar photovoltaic rooftop projects with total additional capacity of 1.6 MWp.

Below are the details of electricity saving from our solar photovoltaic rooftop projects for the past 4 financial years:

Solar Photovoltaic Rooftop Project	FYE2020		FYE2021		FYE2022		FYE2023	
	MWh	RM'000	MWh	RM'000	MWh	RM'000	MWh	RM'000
1.0 MWp	964	342	1,332	473	1,328	471	1,237	524
1.2 MWp	-	-	574	204	1,692	601	1,561	659
0.97 MWp	-	-	-	-	-	-	913	407
0.16 MWp	-	-	-	-	-	-	196	100
Total	964	342	1,906	677	3,020	1,072	3,907	1,690

SUSTAINABILITY STATEMENT (CONT'D)

3. SOCIAL**• EMPLOYEE**

The Group's employees are amongst its most valuable assets and are key drivers of our organisational success. We understand the importance of investing in our employees and ensuring our whole workforce remains motivated and committed to achieving success. Creating a positive and supportive workplace is a key priority and we continue to engage with our employees through various platforms and programmes.

We believe in upholding equal opportunities and have zero tolerance for any direct or indirect discrimination, victimisation, intimidation, bullying or harassment in the workplace. We are strongly committed to ensuring our workplace is free from unwelcome harassment by any employee or external party such as vendors, visitors or guests of the Group. This has been made clear in our Code of Conduct Policy where any non-compliance can be reported through our Whistleblowing hotlines and may be subject to disciplinary action.

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.

i. 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, whereby the company's policies and goals are communicated to executive and non-executive staff.

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	37	3.5
	Intra-departmental Training	18	3.5
	Foreign Worker Induction	219	1
Operation, Technical and Maintenance Skills	Understanding of Products and System	52	3



SUSTAINABILITY STATEMENT (CONT'D)

Training Type	Training Subcategories	No. of Attendees	Number of Hours
Governance and Regulatory Compliance	Understanding & Implementing of Minimum Wages Order 2022 (On-line)	1	4
	Webinar Employment Act 2022 Amendments on Flexible Work Arrangements	1	14
	Practical Implementation of Employment Act with the Latest Amendments	2	14
	Moment Talk on CIDB Act 520 for Aluminium Products (MS 832:2022 and MS 1017:2022)	4	6
	Certified Environmental Professional in Scheduled Waste Management	1	35
Quality and Productivity Improvement Courses	ISO 9001: 2015 Quality Management System (Foundation)	21	7
	ISO 9001: 2015 Internal Auditing	16	14
Trade and Marketing	Webinar on Exploring Trade and Investment Opportunities with CPTPP	1	2.5
	FMM Marketing & Branding Webinar 2022	1	7
	Webinar on Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	1	3.5
	FMM Webinar on Mastering Incoterms 2020 (ICC) In Import Export Management	1	7
Property Development	Strata Management & Liquidated Ascertained Damages	1	8
	Executive Masterclass in Land Development	3	16
	Property Development: Head of Sales Summit & Industry Brainstorming for 2023	1	16
	Housing Development: How to Deal with the Recent Key Issues & Decisions Affecting Housing Developments	1	8

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

SUSTAINABILITY STATEMENT (CONT'D)

ii. 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.

iii. 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, organising sports and recreational activities, Jamuan Hari Raya, annual dinner and social gatherings. We highlight the celebration of major achievements, important milestones and other events that are important to our employees.

iv. 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, Group Term Life Assurance, personal accident insurance coverage and Foreign Worker Compensation Scheme 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 lay off any employee.

v. Health Screening Programme

Employee health screenings are available for confirmed managers of the Group with a minimum of one year's service may undergo the Health Screening Programme either once every two or three years, depending on their age range.

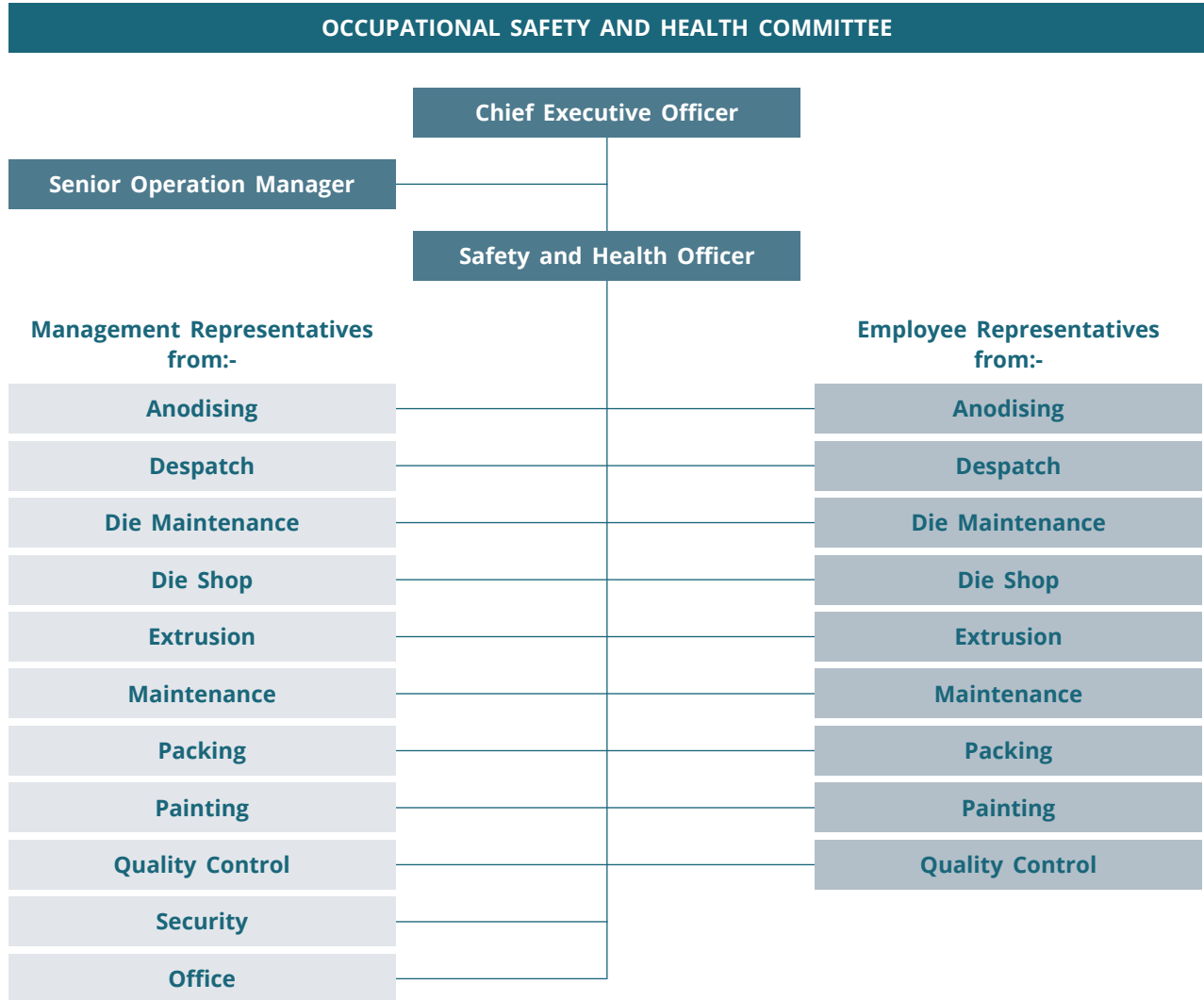
vi. Safety and Health

The Group is committed to ensuring our employees have a safe and healthy environment to work in. 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.



SUSTAINABILITY STATEMENT (CONT'D)

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. Safety & Health Assessment - Audio Metric Assessment, Inspection by Government - Majlis Perbandaran Kajang and Chemical Health Risk Assessment were carried out by the related authorities to ensure the Group is fulfilling the relevant requirements.

SUSTAINABILITY STATEMENT (CONT'D)
vii. 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	No. of Employees
Utilization of Fire Extinguisher	To teach employees how to use a fire extinguisher	All employees	12
Extrusion (Stacking Process)	To train the production worker to follow the right stacking process to align with LB-OIM-209	Extrusion workers	17
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	78
Safety on Handling Woods Cutting	To impart the safe operating procedure awareness and understanding of potential hazards and accidents in operating of cutting machine	Production workers	4
Safety on Handling Stenciling Machine	To educate the employees on using stenciling machine by following the safety procedures	Production workers	21
Safety on Handling Chemical	To educate the workers in using, handling and storing chemicals	Production workers	43
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	18
Safety on Handling Forklift (SOP)	To show the safe operation of an industrial forklift	Forklift driver; Assistant supervisor; and Production supervisors	85
Hazard Identification, Risk Assessment and Risk Control	Identify hazards in their workplace that have the potential to harm employees, environment and public; Plan and conduct HIRARC	Safety & Health Committee	34
23rd Conference and Exhibition on Occupational Safety & Health	To get the latest updates on OSH knowledge and skills to meet the dynamic changes in the Malaysian working environment; Getting to know OSH practitioners from various disciplines to share their knowledge, expertise, skills and ideas to help create an accident-free workplace	Safety & Health Officer	1



SUSTAINABILITY STATEMENT (CONT'D)

viii. 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.

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

Number of Employees by Gender	By Age Group			Total
	20 - 30 years old	31 - 40 years old	41 years old and above	
As at 30 April 2023				
Male	255	244	225	724
Female	65	50	40	155
Total	320	294	265	879
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

• COMMUNITY

The Group takes great care to prevent any adverse Economic, Environmental, Social and Governance 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 and believe in giving back to society by creating long-lasting positive impacts that will enrich the communities over the long term.

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.

SUSTAINABILITY STATEMENT (CONT'D)

The initiatives taken by the Group include:

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

For the financial year under review, the Group visited and donated gifts and red packets to Persatuan Kebajikan Insan Istimewa Cahaya Semenyih in December 2022 and Kg. Baru Semenyih in January 2023; Malaysian Deaf Sports Association-Sponsorship for Larian Amal MSDeaf 2022 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 March 2023 by providing cash vouchers to purchase school supplies.

4. GOVERNANCE

i. Respecting Ethical Principles

The Group is committed to ensuring ethical business practices across its operations to ensure sustainable value creation in the long term. We comply with our set of policies and codes underpinned by the Group's Code of Conduct that guides the actions and behaviours of the Directors and our employees. We are committed to comply with all applicable laws, rules and regulations of the jurisdictions and countries within which the Group operates. Every employee is expected to understand and comply with the laws, rules and regulations that are applicable to their duties and designations. The Code of Conduct is reviewed from time to time to achieve incremental improvements to ensure effectiveness and a strong governance culture within the Group.

The Company's Board leads the organisation in upholding the highest levels of good corporate governance with uncompromised accountability. The Board is guided by the Board Charter, which sets out the Board's strategic intent, powers, roles and responsibilities, as well as those that cascade to the Management. This ensures the Board operates systematically to comply with the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all relevant laws and regulations.

The Board Charter also outlines the evaluation of the Board's effectiveness as it seeks to assess the performance of the Board in the areas of economic, environmental, social and governance. This automatically sets the tone for the various Board Committees and embeds a culture of responsibility among employees with a resilient system of checks and balances across the organisation.

We will continue to review and strengthen our approach to governance to adapt to the changing environment and to incorporate best practices to drive outcomes and deliver on our goals and strategies.

ii. Upholding Fair Labour Practices and Respecting Human Rights

At LB Aluminium Berhad, we take the rights of our workers very seriously. The Company is governed by the Employment Act 1995 and all other relevant labour laws of Malaysia. These laws underline principles that reflect the protection of human rights through fair working hours, fair payment of wages and fair treatment of all without differentiation in age, gender, race and religion.

iii. Whistleblowing Policy & Procedure

We also have a whistleblowing hotline that covers grievances including issues related to human rights and provides a confidential and anonymous mechanism for both internal and external stakeholders to report any violations or grievances.

iv. Anti-Bribery & Corruption ("ABC") Policy

We uphold good corporate governance through robust policies such as the ABC Policy to ensure regulatory compliance. We strive to ensure that our people act professionally, ethically and honourably to maintain our record of zero reported incidents of bribery and corruption.



AUDIT COMMITTEE REPORT

COMPOSITION

Toh Kham Huat (Chairman) Independent Non-Executive Director	Tuan Haji Ahmed Azhar Bin Abdullah <i>(Appointed on 16 November 2022)</i> Independent Non-Executive Director	Woon Wai En <i>(Appointed on 16 November 2022)</i> Independent Non-Executive Director
Neoh Lay Keong <i>(Resigned on 29 September 2022)</i> Senior Independent Non-Executive Director	Dato' Dr Mohd Husni Bin Ahmad <i>(Resigned on 29 September 2022)</i> Independent Non-Executive Director	

TERMS OF REFERENCE

The Terms of Reference for the Audit Committee can be viewed on the Company's website at www.lbalum.com. The Board had reviewed and approved the Terms of Reference on 29 March 2023.

ATTENDANCE

During the financial year ended 30 April 2023, four (4) Audit Committee's meetings were held. The details of attendance of each member at the Audit Committee meetings held during financial year 2023 are as follows:-

Name of Audit Committee Members	Number of Audit Committee Meeting Attended
Toh Kham Huat	4/4
Tuan Haji Ahmed Azhar Bin Abdullah	2/2
Woon Wai En	2/2
Neoh Lay Keong	2/2
Dato' Dr Mohd Husni Bin Ahmad	2/2

SUMMARY OF WORK CONDUCTED DURING THE FINANCIAL YEAR

The following activities conducted were carried out in accordance with the Terms of Reference of the Committee:

- (i) reviewed the External Auditors' engagement letter, 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;

AUDIT COMMITTEE REPORT (CONT'D)**SUMMARY OF WORK CONDUCTED DURING THE FINANCIAL YEAR (CONT'D)**

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

- (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 on the re-appointment of the External Auditors and their audit fees;
- (x) reviewed the 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;
- (xii) reviewed the Statement on Risk Management and Internal Control prior to the endorsement by the Board for inclusion in the Company's Annual Report;
- (xiii) reviewed the Risk Management Policy and the Risk Management Committee's reports;
- (xiv) had private sessions between the Audit Committee and the External Auditors without the presence of Management and Company Secretary;
- (xv) reviewed the outsourced Internal Auditors' engagement letter, scope of work, functions, competency, resources and the internal audit plan for the next financial year. Representatives from the outsourced Internal Auditors presented the Risk Based Internal Audit Plan to the Audit Committee during the financial year;
- (xvi) reviewed and recommended to the Board for adoption of the revised Terms of Reference; and
- (xvii) reviewed the declaration of final dividend and recommended to the Board for consideration, subject to the shareholders' approval.

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 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 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 2023 the audit reviews covered the following key risk areas, in accordance with the approved audit plan:-

- | | | |
|---|--|---|
| (a) Manufacturing Division <ul style="list-style-type: none">• Extrusion• Maintenance• Powder Coating• Quality Control | (b) Support Division <ul style="list-style-type: none">• Human Resource• Information Technology• Procurement | (d) Subsidiaries <ul style="list-style-type: none">• ALBE Marketing Sdn Bhd• LB Aluminium (Singapore) Pte Ltd• SEMS Sdn Bhd |
| | (c) Branches <ul style="list-style-type: none">• Johor• Penang• Sabah | (e) Anti-Bribery and Corruption Policy |

The costs incurred for the internal audit functions in respect of the financial year ended 30 April 2023 was RM167,954.

EXECUTIVE CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the Group and Company's Annual Report and Financial Statements for the financial year ended 30 April 2023.

OVERVIEW

The financial year 2023 saw the abatement of the Covid-19 pandemic, with international borders opening up and the easing of movement and related restrictions. On the home front, the containment measures imposed by the Malaysian Government to address the pandemic were removed. Consequently, Malaysia recorded a robust GDP growth of 8.7% for 2022, contributed by strong domestic and global demand and an improved labour market. Nonetheless, uncertainties abound; we are not out of the woods yet.

Global economies remained fragile with uncertain demand, inflationary pressures and monetary tightening. Geopolitical tensions persisted with the Russia/Ukraine conflict and continued tensions between the United States and China. Whilst governments across the globe implemented stimulus packages to improve the economic situation, businesses continued to face strong global headwinds.

Despite the challenges and volatilities, we remained steadfast in delivering value and fulfilling our responsibilities to our stakeholders.

FINANCIAL PERFORMANCE

I am proud to report that despite the challenging and disruptive business environment, the Group has delivered a commendable set of results with profit before and after tax of RM46.7 million and RM37.0 million, respectively, for the financial year ended 30 April 2023. The Group's revenue for the year under review increased by 13% to RM777.8 million. This Annual Report's Management Discussion and Analysis section explains the Group's results.

Earnings per share for FY2023 was 8.91 sen (FY2022: 9.59 sen) based on the total number of issued shares of 434,850,699. As of 30 April 2023, the Group's net assets per share was RM0.90 (FY2022: RM0.83), while shareholders' funds stood at RM391.4 million (FY2022: RM362.9 million).

SUSTAINABILITY

Our theme for this year's Annual Report is "Creating Sustainable Value For A Better Tomorrow". We understand the importance of Economic, Environmental, Social and Governance practices for the Group and all its stakeholders. Even in the challenging times we face today, we strive with resilience to transform how we build, sustain and live so that we and our future generation will have a better tomorrow. We are committed to embedding sustainability considerations in daily operations and business decisions. We are constantly exploring ways to reduce energy consumption and the use of renewable energy to reduce production costs and minimise the energy-related environmental damage caused by fossil fuels. During the financial year, we commissioned another solar photovoltaic rooftop project with a capacity of 1.6 MWp. We will have a total solar photovoltaic capacity of 4.93 MWp upon its completion.

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

The Board of Directors is pleased to recommend a first and final single-tier dividend of 2.5 sen (2022: 2.5 sen) per ordinary share based on the total number of issued shares of 434,850,699 amounting to RM10,871,267 in respect of the financial year ended 30 April 2023, which is subject to the approval of the shareholders at the forthcoming annual general meeting.

OUTLOOK

The International Monetary Fund ("IMF") projected that global growth would slow down from 3.5% in 2022 to 3.0% in 2023. The main factors likely to undermine the global growth outlook are the escalation of geopolitical tensions, prolonged inflationary pressures, and further tightening financial conditions. For 2023, Malaysia is expected to achieve a 4.0% to 5.0% GDP growth supported by strong economic fundamentals and the implementation of more public investment projects. Nevertheless, the domestic outlook remains susceptible to weaker-than-expected international trade and protracted volatility in the global financial markets.

Given the uncertainties affecting the global and Malaysian economies, I would like to proceed with cautious optimism. We will continue focusing on our core competencies and adapting and refining our strategies for the aluminium and property development segments. We will prudently manage our cashflows as a strong balance sheet will enable us to ride through today's demanding business environment and capitalise on any potential opportunities.

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 express our heartfelt appreciation to all our employees, shareholders, customers, suppliers, bankers, and government agencies for their continuing support, confidence and trust.

I would also like to thank Mr Neoh Lay Keong and Dato' Dr Mohd Husni bin Ahmad who resigned on 29 September 2022 after serving the Company for more than 12 years, for their invaluable inputs and contributions during their tenure on the Board. I wish them the best in their future undertakings. We welcome the appointments of Tuan Haji Ahmed Azhar bin Abdullah and Mr Woon Wai En to the Board and look forward to their insights and support. Finally, I thank my fellow Directors for their forthright contributions throughout the financial year.

TAN SRI DATUK LEOW CHONG HOWA

Executive Chairman

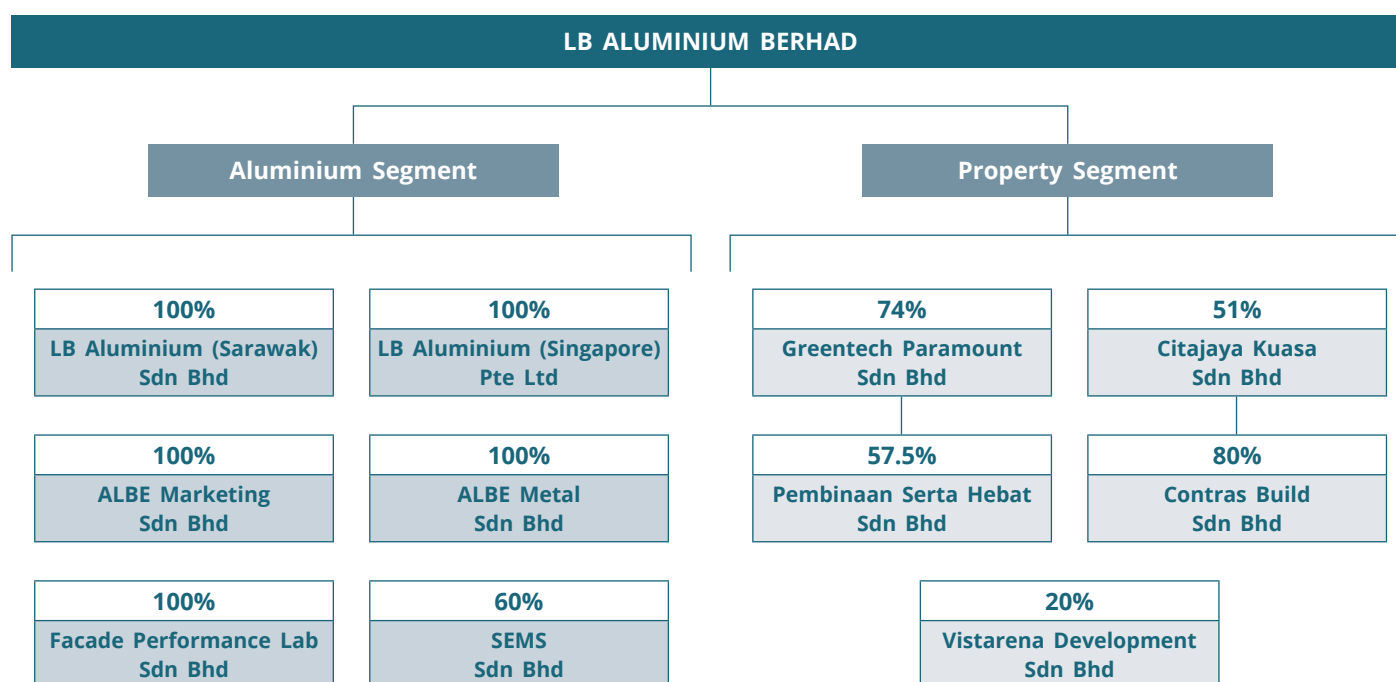
MANAGEMENT DISCUSSION AND ANALYSIS

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 2023 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.

Vistarena Development Sdn Bhd ("Vistarena")

Vistarena, the 20%-associate of the Company, had in June 2022 completed the development of its Residensi Platinum OUG project with a gross development value ("GDV") of RM468.0 million located at Kampung Muhibah, Kuala Lumpur.

The project is 100% sold, with vacant possession delivered to the house buyers.

Pembinaan Serta Hebat Sdn Bhd ("PSH")

PSH, a subsidiary of the Company, has launched its second residential development project next to the Satu Anggota Satu Rumah ("SASaR") project in Bandar Tasik Selatan, namely the PSV 1 Residences @ Platinum South Valley project ("PSV 1 Residences"). The PSV 1 Residences project comprises a 42-storey single-block residential apartment with a GDV of RM297.5 million. Meanwhile, the SASaR project will develop 3,500 residential units for the Malaysian armed forces with a GDV of RM633.8 million. The combined GDV of the two projects is RM931.3 million.

As of 30 June 2023, the cumulative sales for the SASaR and PSV 1 Residences were 77% and 32% respectively, while cumulative construction progress were 27% and 16%, respectively.

Contras Build Sdn Bhd ("Contras Build")

Contras Build, 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

The Group continued its strong performance at the beginning of the Financial Year 2023, underpinned by rising global aluminium demand. The military conflict in Ukraine and the subsequent energy crisis have disrupted the global aluminium supply since February 2022, which caused a surge in aluminium demand. Meanwhile, the Malaysian economy was recovering as the country moved from the COVID-19 pandemic to the endemic phase.

Nonetheless, the global aluminium demand slowed down in the second half of the financial year due mainly to weak market sentiments, inflationary pressures, recession fears, and monetary policy tightening. For Malaysian manufacturers, the cost of doing business also increased during the period following the supply chain issues and the escalating energy costs.

Despite all the challenges and headwinds, the Group reported another year of historically high revenue of RM777.8 million with a profit before taxation of RM46.7 million for the Financial Year 2023.

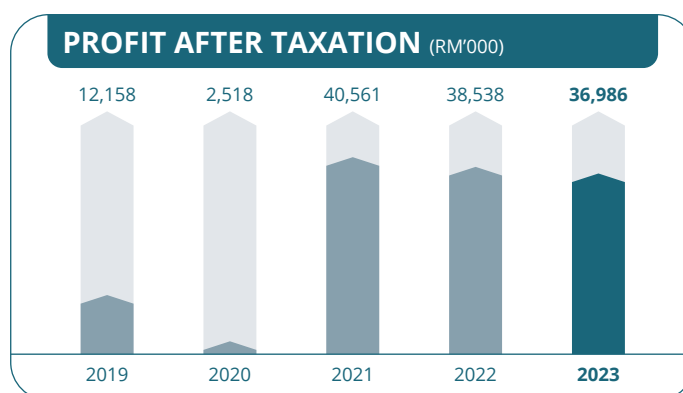
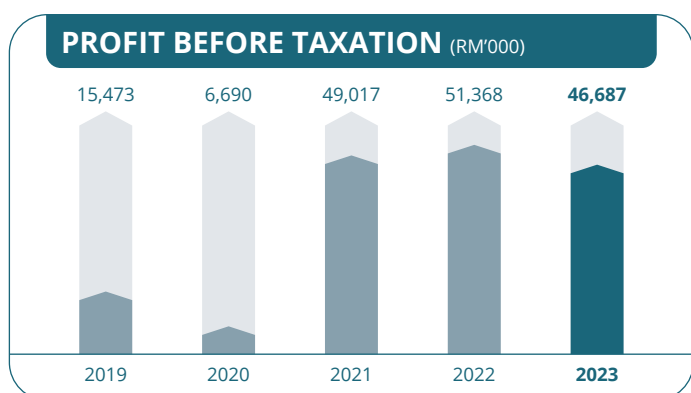
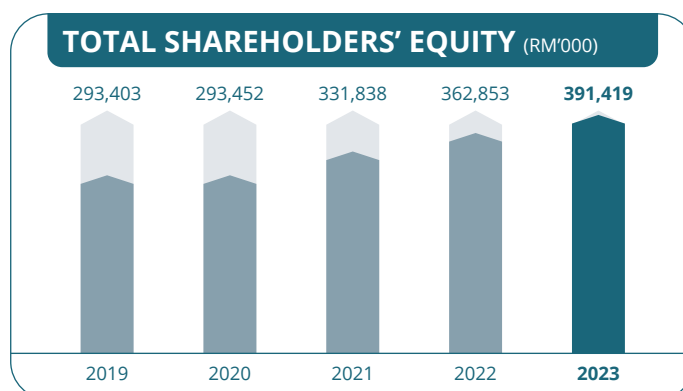
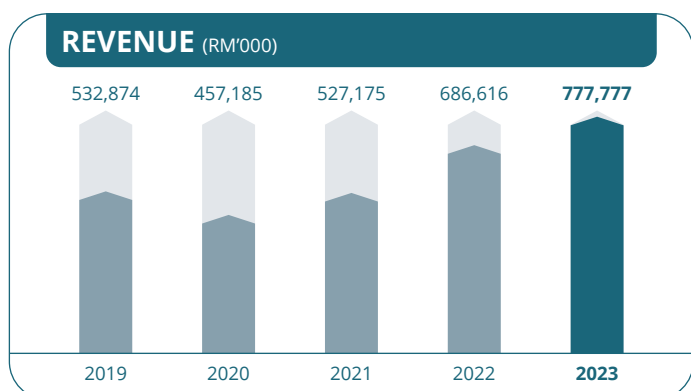
MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

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")				
		2023	2022	2021	2020	2019
Revenue	RM'000	777,777	686,616	527,175	457,185	532,874
EBITDA	RM'000	70,617	72,168	70,015	27,173	33,911
Profit Before Taxation	RM'000	46,687	51,368	49,017	6,690	15,473
Profit After Taxation	RM'000	36,986	38,538	40,561	2,518	12,158
PATAMI	RM'000	38,749	41,722	41,209	3,844	12,169
Total Assets	RM'000	776,298	845,563	667,840	584,739	509,880
Total Liabilities	RM'000	387,385	483,453	335,321	290,555	215,975
Total Shareholders' Equity	RM'000	391,419	362,853	331,838	293,452	293,403
Net Gearing Ratio	Times	0.31	0.56	0.38	0.41	0.35
Earnings Per Share	Sen	8.91	9.59	9.48	0.88*	2.80*
Net Asset Per Share	RM	0.90	0.83	0.76	0.67*	0.67*

* The comparative figures are restated assuming the three-for-four bonus issue completed on 30 August 2021 has taken place as at earliest date presented



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

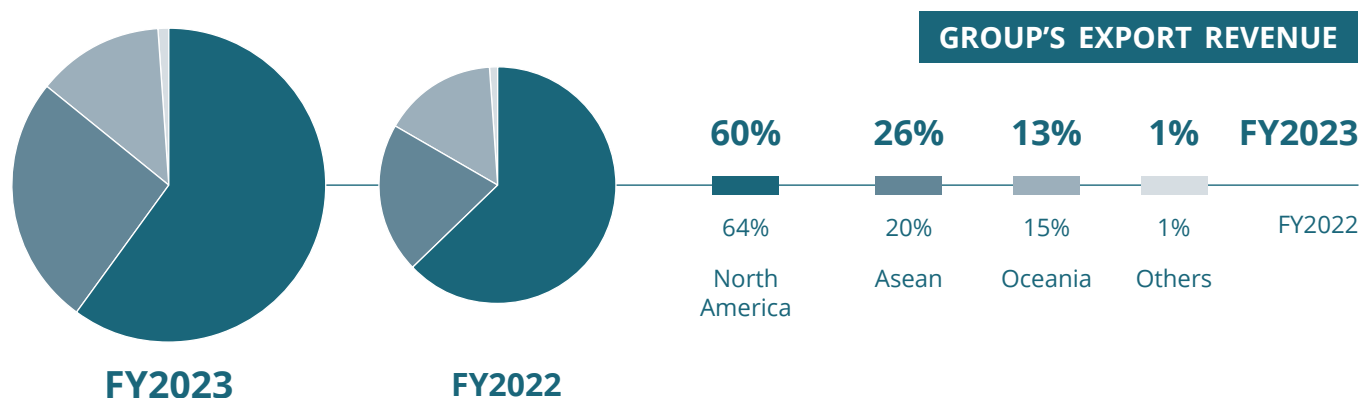
REVIEW OF GROUP'S FINANCIAL RESULTS AND FINANCIAL CONDITIONS (CONT'D)

The following table is the breakdown of the Group's performance for FY2023 and FY2022 by business segments:-

	FY2023			FY2022		
	Aluminium RM'000	Property RM'000	Group RM'000	Aluminium RM'000	Property RM'000	Group RM'000
Revenue	665,797	111,980	777,777	686,616	-	686,616
Profit/(Loss) Before Taxation	52,596	(5,909)	46,687	52,167	(799)	51,368
Profit/(Loss) After Taxation	42,895	(5,909)	36,986	39,337	(799)	38,538
Total Assets	527,181	249,117	776,298	605,543	240,020	845,563
Total Liabilities	187,174	200,211	387,385	330,188	153,265	483,453

(a) Revenue

The Group's revenue increased by RM91.2 million or 13% to RM777.8 million in the current financial year due mainly to contribution from the Property Segment of RM112.0 million (FY2022: Nil), while the Aluminium Segment recorded a marginally lower revenue of RM665.8 million (FY2022: RM686.6 million). The Group's export sales contributed approximately 35% to the total revenue of FY2023 compared to 40% of the previous year. The top three major export markets of the Group are North America, ASEAN countries, and the Oceania region.


Aluminium Segment

The Aluminium Segment reported marginally lower revenue of RM665.8 million (FY2022: RM686.6 million). The decrease of 3% was due mainly to lower sales volume but mitigated by higher average selling prices.

Property Segment

The Property Segment commenced revenue recognition in FY2023 with a total revenue contribution of RM112.0 million from its SASaR and PSV 1 Residences projects in Bandar Tasik Selatan, Kuala Lumpur. As of 30 April 2023, the cumulative sales for the SASaR and PSV 1 Residences projects were 68.4% and 24.4% respectively, while cumulative construction progress were 23.7% and 15.6% respectively.



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 PBT decreased by RM4.7 million or 9% to RM46.7 million (FY2022: RM51.4 million) in the current financial year due mainly to lower contribution from the Property Segment.

Aluminium Segment

The Aluminium Segment's PBT for the current financial year stood at RM52.6 million (FY2022: RM52.2 million), with lower impairment losses on receivables of RM4.2 million as compared to the previous financial year of RM7.9 million. Included in FY2022's PBT was a gain on disposal of freehold land and factory buildings of RM4.20 million.

Property Segment

The Property Segment recorded a loss of RM5.9 million (FY2022: Loss Before Taxation of RM799,000) due mainly to lower contribution from the associate as well as the impairment losses on investment in associate of RM5.8 million, mitigated by the positive contributions from the SASaR and PSV 1 Residences projects.

(c) Taxation

The Group's effective tax rate for the financial year under review was lower than the statutory tax rate due mainly to the overprovision of deferred tax liabilities in prior years.

(d) Profit after taxation

The Group reported a profit after taxation of RM37.0 million (FY2022: RM38.5 million) in the current financial year.

(e) Financial position

Total Assets

At the end of the financial year, the Group's total assets decreased by RM69.3 million or 8% to RM776.3 million (FY2022: RM845.6 million) due mainly to the decrease in inventories and trade receivables. The Aluminium Segment's closing inventories decreased by RM42.8 million or 23% to RM141.5 million (FY2022: RM184.3 million) due to lower aluminium prices and reduced inventory levels. Meanwhile, the trade receivables decreased by RM30.6 million or 21% to RM112.9 million (FY2022: RM143.5 million), due mainly to lower average selling prices of the Aluminium Segment in tandem with the softened of the global aluminium prices.

Meanwhile, the Group's investment in an associate was lower by RM25.5 million after a RM20.0 million dividend received from the associate during the financial year and the RM5.8 million impairment losses on the investment.

The Group's liquidity position as of 30 April 2023 remained very strong, with our short-term fund, deposits with licensed banks, and cash and bank balances amounting to RM95.2 million (FY2022: RM58.6 million).

Total Liabilities

As of 30 April 2023, the Group's total liabilities decreased by RM96.1 million or 20% to RM387.4 million (FY2022: RM483.5 million), due mainly to the decrease in borrowings and trade payables. The Group's borrowings lowered by RM42.6 million to RM217.6 million (FY2022: RM260.2 million), as the Aluminium Segment reduced its borrowings by RM100.9 million or 47% to RM113.9 million (FY2022: RM214.8 million) following the reduction in trade receivables and inventories as explained above. On the other hand, the Property Segment increased its borrowings by RM58.3 million or 129% to RM103.7 million (FY2022: RM45.4 million) with additional loan drawdown after the launch of the SASaR and PSV 1 Residences projects in Bandar Tasik Selatan. For trade payables, the decrease of RM32.8 million or 33% to RM66.5 million (FY2022: RM99.3 million) was due mainly to the settlement of a development charge by PSH of RM32.7 million.

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 decreased to the lowest in the past five years of 0.31 times as at 30 April 2023 (30 April 2022: 0.56 times), underpinned by the Group's solid cash position and lower utilisation of trade facilities amid the stabilisation of 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 be better positioned to capture new business opportunities and withstand any economic adversities.

CAPITAL EXPENDITURE ("CAPEX")

The Group's total CAPEX allocated for the financial year ending 30 April 2024 ("FY2024") is RM16.5 million, of which its breakdown is shown below:

Asset Group	Main Usage	Amount (RM'000)
Plant and machinery	General upgrading works	11,508
	Solar photovoltaic rooftop projects	2,719
		14,227
Office equipment	Upgrade of ERP system and IT hardware	1,665
Others		650
Total CAPEX for FY2024		16,542

During the financial year, the Group is increasing its total solar photovoltaic rooftop project capacity in the Beranang factory with an additional 1.6 MWp capacity to be commissioned in FY2024. Meanwhile, the Group expects to complete its Enterprise Resource Planning ("ERP") system upgrading in the third quarter of FY2024.

ANTICIPATED BUSINESS RISKS

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

(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.

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 in global aluminium prices

The Group's primary raw material is aluminium billets. 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 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, impacting 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 tend to be 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 65% 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 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.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

ANTICIPATED BUSINESS RISKS (CONT'D)

(f) Weak sentiments for the property market

The uncertainties over the domestic property markets amid interest rate hikes and falling house buyers' confidence have disrupted the recovery momentum of the Malaysian property markets post-pandemic. According to the National Property Information Centre, the overall property transactions in the country were down by 5.7% in the first quarter of 2023 compared to the previous year's corresponding period. In addition, new project developers are dealing with operational issues of labour crunch, fluctuations of building material costs, and the rising cost of doing business.

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 existing projects and the land banks earmarked for property development are all located at strategic locations in Kuala Lumpur, the Group is optimistic that with the proper planning and correct strategy execution, the current and future projects will achieve a high take-up rate.

OUTLOOK

The Malaysian economy expects to grow moderately in the second half of 2023 towards an annual GDP growth of 4.0% - 5.0%, supported by strong economic fundamentals, more public investment projects, and increasing foreign investments. Headwinds ahead include weaker-than-expected international trade and persistent credit tightening across the globe.

Aluminium Segment

During FY2023, the Group's Aluminium Segment recorded notable revenue of RM665.8 million and PBT of RM52.6 million, against the backdrop of a challenging global business environment and looming economic uncertainties. We will stay vigilant for possible headwinds while we continue improving our production efficiency and effectiveness. We will also adjust our selling prices whenever necessary to protect our margins.

As the global economy remains uncertain, we will closely monitor our liquidity position and manage our cash flows effectively to stay 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

Under the Malaysian Home Ownership Initiative ("i-Miliki"), first-time homebuyers are entitled to a 100% stamp duty exemption on the Memorandum of Transfer and loan agreement for the purchase of a residential property priced not exceeding RM500,000, and a 75% stamp duty exemption 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 the i-Miliki incentives to augur well for the Property Segment as the SASaR units are priced below RM500,000 while PSV 1 Residences units are generally priced below RM1.0 million.

Overall

While the Management remains nimble amid the global economic uncertainty, we are cautiously optimistic, barring unforeseen circumstances, that LB Aluminium Berhad will have a bright 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

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

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

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

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

Melaka

Lot 90, Jalan IKS MJ 4

Taman Malim Jaya

75250 Melaka

Tel : 06-337 3389

Fax : 06-337 2389

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

SEMS SDN BHD
[199701035120 (450620-P)]

Lot 2.46, Jalan Perindustrian Mahkota 2
Kawasan Perindustri Beranang
43700 Beranang, Semenyih
Selangor Darul Ehsan
Tel : 018-289 1493
Fax : 03-8962 1561
Email : sales@sems.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

CONTENTS

Directors' Report	73
Statement by Directors	79
Statutory Declaration	79
Independent Auditors' Report	80
Statements of Financial Position	85
Statements of Profit or Loss and Other Comprehensive Income	87
Statements of Changes in Equity	88
Statements of Cash Flows	90
Notes to the Financial Statements	94



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 2023.

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	36,986	49,785
Attributable to:		
Owners of the parent	38,749	49,785
Non-controlling interests	(1,763)	-
	36,986	49,785

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 2022:	
First and final single tier dividend of 2.50 sen per ordinary share, was paid on 18 October 2022	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 2024.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

The Company did not issue any new shares or 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	
Toh Khiam Huat	
Chew Kat Nyap	
Teh Kok Heng	
Leow Vinzie (Alternate Director to Tan Sri Datuk Leow Chong Howa)	
Tuan Haji Ahmed Azhar Bin Abdullah	(Appointed on 16 November 2022)
Woon Wai En	(Appointed on 16 November 2022)
Dato' Dr. Mohd Husni Bin Ahmad	(Resigned on 29 September 2022)
Neoh Lay Keong	(Resigned on 29 September 2022)

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	
Yap Chee Sen	
Tan Sri Datuk Seri Gan Yu Chai	
Gan Yee Hin	
Chin Pooi Wai	
Lim Soo Wai	
Dato' Shaik Ahmad Sufian B. Shaik Kamal Farid	
Gan Yee Leong	(Appointed on 9 June 2022)

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 2023 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 30.4.2023
	Balance as at 1.5.2022	Addition	Sold	
Shares in the Company				
Direct interests				
Tan Sri Datuk Leow Chong Howa	131,203,460	-	-	131,203,460
Mark Wing Kong	6,376,125	-	-	6,376,125
Yap Chee Woon	1,477,525	-	-	1,477,525
Leow Sok Hoon	32,144,882	-	-	32,144,882

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 following:

- (i) remuneration received or due and receivable by certain Directors from the related corporations in their capacity as directors or executives of the related corporations; 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

Directors' remuneration of the Group and of the Company for the financial year ended 30 April 2023 were as follows:

	Group 2023 RM'000	Company 2023 RM'000
<u>Directors of the Company</u>		
Executive Directors:		
Short-term employee benefits:		
- fees	160	160
- salaries, bonuses and other benefits	4,142	3,178
- defined contribution plan	431	371
	<u>4,733</u>	<u>3,709</u>
Non-Executive Directors:		
- fees	231	231
- other benefits	23	23
	<u>4,987</u>	<u>3,963</u>
<u>Directors of the subsidiaries</u>		
Executive Directors:		
Short-term employee benefits:		
- salaries, bonuses and other benefits	758	-
- defined contribution plan	91	-
	<u>849</u>	<u>-</u>
Non-Executive Director:		
- fees	240	-
	<u>1,089</u>	<u>-</u>
Total	<u>6,076</u>	<u>3,963</u>
Total Directors' remuneration	<u>6,076</u>	<u>3,963</u>

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 RM23,500 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.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 30 April 2023 are RM254,000 and RM93,500 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 2023



STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 85 to 169 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 2023 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 2023

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 85 to 169 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 2023)

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 2023 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 85 to 169.

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 2023, 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 of the Group

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 2023, the carrying amount of inventories for aluminium products of the Group and of the Company were RM141,526,000 and RM122,799,000 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 of the Group (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 based on available industry data to ensure the inventories is stated at the lower of cost and net realisable value; and
- (ii) 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 2023, gross third parties trade receivables of the Group and of the Company were RM128,983,000 and RM87,050,000 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 of the Company

(a) *Impairment assessment of amounts owing by subsidiaries*

As at 30 April 2023, gross amounts owing by subsidiaries of the Company were RM56,861,000 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.

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.

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

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.
- (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.



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)

- (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.

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

201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
15 August 2023

Ng Soe Kei

02982/08/2023 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	177,845	184,557	148,750	155,328
Right-of-use assets	6	9,786	9,404	8,544	6,962
Investments in subsidiaries	7	-	-	19,741	21,685
Investment in an associate	8	4,068	29,544	4,068	6,000
Other investment	9	1,113	1,197	1,113	1,197
Goodwill on consolidation	10	757	757	-	-
Amounts owing by subsidiaries	13	-	-	35,116	53,822
Deferred tax assets	11	164	-	-	-
		193,733	225,459	217,332	244,994
Current assets					
Inventories	12	352,363	389,223	122,799	168,011
Trade and other receivables	13	124,639	172,152	92,811	154,515
Contract assets	14	9,730	-	-	-
Current tax assets		589	160	-	-
Short term funds	15	47,514	28,271	47,514	28,271
Cash and bank balances	16	47,730	30,298	35,683	23,976
		582,565	620,104	298,807	374,773
Asset classified as held for sale	17	-	-	-	-
TOTAL ASSETS		776,298	845,563	516,139	619,767
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	18	125,771	125,771	125,771	125,771
Reserves	19	265,648	237,082	213,559	174,645
		391,419	362,853	339,330	300,416
Non-controlling interests	7(d)	(2,506)	(743)	-	-
TOTAL EQUITY		388,913	362,110	339,330	300,416



STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023 (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
LIABILITIES					
Non-current liabilities					
Amount owing to a corporate shareholder of a subsidiary	22	17,699	14,561	-	-
Borrowings	20	94,559	30,160	2,960	4,440
Deferred tax liabilities	11	17,529	20,844	16,209	20,096
Lease liabilities	6	1,144	1,227	1,587	853
		130,931	66,792	20,756	25,389
Current liabilities					
Trade and other payables	22	128,941	181,094	45,471	81,149
Borrowings	20	123,007	230,020	107,100	207,660
Lease liabilities	6	1,681	1,281	2,404	1,700
Current tax liabilities		2,825	4,266	1,078	3,453
		256,454	416,661	156,053	293,962
TOTAL LIABILITIES		387,385	483,453	176,809	319,351
TOTAL EQUITY AND LIABILITIES		776,298	845,563	516,139	619,767

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 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	23	777,777	686,616	600,146	631,589
Cost of sales		(655,132)	(555,498)	(513,680)	(518,337)
Gross profit		122,645	131,118	86,466	113,252
Other operating income	24	6,259	8,905	37,767	10,895
Marketing and distribution expenses		(36,992)	(50,714)	(30,853)	(45,945)
Administrative expenses		(25,751)	(25,115)	(16,507)	(18,068)
Net losses on impairment of financial assets	26	(3,012)	(6,034)	(9,729)	(4,142)
Other operating expenses		(7,149)	(4,841)	(4,757)	(3,034)
Finance costs	25	(9,618)	(6,956)	(6,329)	(7,362)
Share of results of an associate	8(c)	305	5,005	-	-
Profit before tax	26	46,687	51,368	56,058	45,596
Tax expense	27	(9,701)	(12,830)	(6,273)	(10,990)
Profit for the financial year		36,986	38,538	49,785	34,606
Other comprehensive income, net of tax					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translations		688	164	-	-
Total comprehensive income for the financial year		37,674	38,702	49,785	34,606
Profit/(Loss) attributable to:					
Owners of the parent		38,749	41,722	49,785	34,606
Non-controlling interests	7(d)	(1,763)	(3,184)	-	-
		36,986	38,538	49,785	34,606
Total comprehensive income/(loss) attributable to:					
Owners of the parent		39,437	41,886	49,785	34,606
Non-controlling interests	7(d)	(1,763)	(3,184)	-	-
		37,674	38,702	49,785	34,606
Earnings per ordinary share attributable to owners of the parent (sen):					
Basic and diluted	28(a)	8.91	9.59		

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



STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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 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 a subsidiary 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
Balance as at 1 May 2022		125,771	4,678	232,404	362,853	(743)	362,110
Profit/(Loss) for the financial year		-	-	38,749	38,749	(1,763)	36,986
Other comprehensive income, net of tax		-	688	-	688	-	688
Total comprehensive income/(loss)		-	688	38,749	39,437	(1,763)	37,674
Transactions with owners							
Dividend paid	29	-	-	(10,871)	(10,871)	-	(10,871)
Total transactions with owners		-	-	(10,871)	(10,871)	-	(10,871)
Balance as at 30 April 2023		125,771	5,366	260,282	391,419	(2,506)	388,913

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023 (CONT'D)

Company	Note	Share capital RM'000	Retained earnings RM'000	Total equity RM'000
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
Balance as at 1 May 2022		125,771	174,645	300,416
Profit for the financial year		-	49,785	49,785
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	49,785	49,785
Transaction with owners				
Dividend paid	29	-	(10,871)	(10,871)
Total transaction with owners		-	(10,871)	(10,871)
Balance as at 30 April 2023		125,771	213,559	339,330

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



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		46,687	51,368	56,058	45,596
Adjustments for:					
Depreciation of:					
– property, plant and equipment	5	12,652	12,304	11,453	11,235
– right-of-use assets	6	1,660	1,540	2,288	2,189
Dividend income from:					
– other investment	24	(58)	(47)	(58)	(47)
– subsidiaries	24	-	-	(3,841)	(4,474)
– associate	24	-	-	(20,000)	-
Fair value loss/(gain) on:					
– derivative instruments	26	-	(31)	-	(31)
– other investment	26	84	399	84	399
– short term funds	26	(215)	(87)	(215)	(87)
Impairment losses on:					
– trade receivables	13(h)	4,164	7,549	3,922	5,933
– other receivables	13(i)	3	353	-	-
– property, plant and equipment	5	414	331	-	-
– goodwill on consolidation	10	-	1,733	-	-
– amount owing by subsidiaries	13(i)	-	-	5,855	321
– investments in subsidiaries	7(f)	-	-	1,944	1,468
– investments in an associate	8	5,781	-	1,932	-
Reversal of inventories written down	12(e)	(15)	(16)	-	-
Interest income from:					
– deposits with licensed banks	24	(1,704)	(884)	(1,615)	(663)
– amounts owing by subsidiaries	24	-	-	(1,725)	(2,012)
Interest expense	25	9,618	6,956	6,329	7,362
Fair value gain on discounting of non-current amounts owing by subsidiaries	24	-	-	(5,654)	-
(Gain)/Loss on reassessments and modification of leases	26	(12)	75	(10)	(9)
Net gain on disposals of:					
– property, plant and equipment	26	(69)	(31)	(48)	(31)
– asset classified as held for sale	26	-	(4,204)	-	-
Net unrealised loss/(gain) on foreign exchange	26	711	(1,360)	706	(1,349)
Reversal of impairment losses on:					
– trade receivables	13(h)	(803)	(1,730)	(48)	(403)
– other receivables	13(i)	(352)	(138)	-	(138)
– amounts owing by subsidiaries	13(i)	-	-	-	(1,571)
– cash and bank balances	16(d)	-	(1)	-	-
Share of profit of an associate	8(c)	(305)	(5,005)	-	-
Bad debts written off		-	1,565	-	410

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023 (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)					
Written off of:					
- inventories	12(d)	86	883	86	883
- other receivables	26	42	-	42	-
- property, plant and equipment	5	28	11	19	10
Operating profit before changes in working capital		78,397	71,533	57,504	64,991
Changes in working capital:					
Inventories		36,809	(203,408)	45,125	(66,897)
Trade and other receivables		43,894	(14,068)	56,271	(39,837)
Contract assets		(9,730)	-	-	-
Trade and other payables		(40,172)	49,792	(32,211)	8,857
Amounts owing by subsidiaries		-	-	6,057	5,847
Cash generated from/(used in) operations		109,198	(96,151)	132,746	(27,039)
Tax paid		(15,831)	(11,851)	(13,211)	(9,527)
Tax refunded		739	-	676	-
Net cash from/(used in) operating activities		94,106	(108,002)	120,211	(36,566)
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of additional interest in subsidiaries		-	-	-	(3,240)
Repayments from subsidiaries		-	-	13,422	2,898
Advances to subsidiaries		-	-	(1,495)	(16,048)
Dividends received		20,058	47	20,058	47
Interest received		1,704	884	1,615	663
Net change in short term funds	15	(19,243)	(480)	(19,243)	(480)
Proceeds from disposals of:					
- property, plant and equipment		747	68	712	68
- asset classified as held for sale		-	28,876	-	-
Purchase of property, plant and equipment	5	(6,982)	(8,705)	(5,558)	(7,710)
Subscription of interest in a subsidiary by non-controlling interests		-	1,760	-	-
Net cash (used in)/from investing activities		(3,716)	22,450	9,511	(23,802)



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023 (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		(9,473)	(6,781)	(6,173)	(4,710)
Dividend paid	29	(10,871)	(10,871)	(10,871)	(10,871)
Dividend income from subsidiaries		-	-	3,841	4,474
Payments for lease liabilities	6	(1,858)	(1,772)	(2,578)	(2,489)
Drawdown of term loans		115,069	-	-	-
Repayment of term loans		(57,499)	(3,800)	(1,480)	(1,480)
Net repayments of revolving credits		(5,000)	(7,000)	(5,000)	(7,000)
Drawdown of bankers' acceptances		300,800	379,500	288,500	368,200
Repayments of bankers' acceptances		(395,250)	(305,300)	(384,060)	(293,080)
Advances from a corporate shareholder of a subsidiary		3,138	5,290	-	-
Advances from a related party		3,643	25,788	-	-
Repayments to a related party		(14,849)	(4,469)	-	-
Net cash (used in)/from financing activities		(72,150)	70,585	(117,821)	53,044
Net increase/(decrease) in cash and cash equivalents		18,240	(14,967)	11,901	(7,324)
Effects of exchange rate changes on cash and cash equivalents		(74)	699	(194)	652
Reversal of impairment loss on cash and cash equivalents	16(d)	-	1	-	-
Cash and cash equivalents at beginning of the financial year		17,598	31,865	23,976	30,648
Cash and cash equivalents at end of the financial year	16	35,764	17,598	35,683	23,976

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023 (CONT'D)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Borrowings (excluded bank overdrafts)					
<u>Term loans</u>					
Balance as at 1 May		38,600	42,400	5,920	7,400
Cash flows		57,570	(3,800)	(1,480)	(1,480)
Balance as at 30 April	20	96,170	38,600	4,440	5,920
<u>Revolving credits</u>					
Balance as at 1 May		25,000	32,000	25,000	32,000
Cash flows		(5,000)	(7,000)	(5,000)	(7,000)
Balance as at 30 April	20	20,000	25,000	20,000	25,000
<u>Bankers' acceptances</u>					
Balance as at 1 May		183,880	109,680	181,180	106,060
Cash flows		(94,450)	74,200	(95,560)	75,120
Balance as at 30 April	20	89,430	183,880	85,620	181,180
Lease liabilities					
Balance as at 1 May		2,508	3,770	2,553	4,668
Cash flows:					
Payments of lease liabilities		(1,858)	(1,772)	(2,578)	(2,489)
Non-cash flows:					
- Reassessments and modification		786	(78)	591	(216)
- Unwinding of interest		145	175	156	198
- Additions of lease liabilities		1,244	413	3,269	392
Balance as at 30 April	6	2,825	2,508	3,991	2,553
Amount owing to a corporate shareholder of a subsidiary					
Balance as at 1 May		14,561	9,271	-	-
Cash flows		3,138	5,290	-	-
Balance as at 30 April	22	17,699	14,561	-	-
Amount owing to a related party					
Balance as at 1 May		48,060	26,741	-	-
Cash flows		(11,206)	21,319	-	-
Balance as at 30 April	22	36,854	48,060	-	-

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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023

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 2023 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 2023.

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 2023 (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.

2023	Note	Aluminium RM'000	Property development RM'000	Total RM'000
Revenue				
Total revenue		741,280	111,980	853,260
Inter-segment revenue		(75,483)	-	(75,483)
Revenue from external customers	23	665,797	111,980	777,777
Results				
Interest income	24	1,671	33	1,704
Finance costs	25	(6,426)	(3,192)	(9,618)
Share of results of an associate	8(c)	-	305	305
Depreciation of property, plant and equipment	5	(12,539)	(113)	(12,652)
Depreciation of right-of-use assets	6	(1,608)	(52)	(1,660)
Other items of income	(a)(i)	4,522	33	4,555
Other expenses	(a)(ii)	(5,599)	-	(5,599)
Segment profit/(loss) before tax		52,596	(5,909)	46,687
Tax expense		(9,701)	-	(9,701)
Segment assets		526,625	248,920	775,545
Segment liabilities		166,820	200,211	367,031



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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)

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	23	686,616	-	686,616
Results				
Interest income	24	869	15	884
Finance costs	25	(4,967)	(1,989)	(6,956)
Share of results of an associate	8(c)	-	5,005	5,005
Depreciation of property, plant and equipment	5	(12,251)	(53)	(12,304)
Depreciation of right-of-use assets	6	(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

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

	Group	
	2023 RM'000	2022 RM'000
Dividend income from other investment	58	47
Gain on disposal of:		
- property, plant and equipment	107	31
- asset classified as held for sale	-	4,204
Insurance claim recovery	304	306
Fair value gain on derivative instruments	-	31
Fair value gain on short term funds	215	87
Realised gain on foreign exchange	2,966	56
Rental income	184	735
Sundry income	720	1,164
Unrealised gain on foreign exchange	1	1,360
	4,555	8,021

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000
Bad debts written off	-	1,565
Fair value losses on other investment	84	399
Impairment losses on:		
- trade receivables	4,164	7,549
- other receivables	3	353
- property, plant and equipment	414	331
- goodwill on consolidation	-	1,733
Realised loss on foreign exchange	4	31
Rental expenses on:		
- premises	8	16
- forklift and other equipment	54	31
Unrealised loss on foreign exchange	712	-
Written off of:		
- inventories	86	883
- property, plant and equipment	28	11
- other receivables	42	-
	5,599	12,902

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

	Group	
	2023 RM'000	2022 RM'000
Revenue		
Total revenue for reportable segments	853,260	753,084
Elimination of inter-segment revenue	(75,483)	(66,468)
Revenue of the Group per statements of profit or loss and other comprehensive income	777,777	686,616



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023	2022
	RM'000	RM'000
Profit for the financial year		
Total profit or loss for reportable segments	46,687	51,368
Tax expense	(9,701)	(12,830)
Profit for the financial year of the Group per statements of profit or loss and other comprehensive income	<u>36,986</u>	<u>38,538</u>
Assets		
Total assets for reportable segments	775,545	845,403
Tax assets	753	160
Assets of the Group per statements of financial position	<u>776,298</u>	<u>845,563</u>
Liabilities		
Total liabilities for reportable segments	367,031	458,343
Tax liabilities	20,354	25,110
Liabilities of the Group per statements of financial position	<u>387,385</u>	<u>483,453</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 2023 (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	
	2023	2022
	RM'000	RM'000
Revenue from external customers		
Malaysia	503,592	409,375
Singapore	67,789	53,699
North America	165,952	176,444
Others	40,444	47,098
	777,777	686,616
Non-current assets		
Malaysia	191,881	223,742
Singapore	1,688	1,717
	193,569	225,459

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 2023 (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.5.2022 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 30.4.2023 RM'000
Carrying amount								
Freehold land	23,555	-	-	-	-	-	-	23,555
Buildings	79,089	609	(652)	-	-	(2,061)	75	77,060
Plant and machinery	71,018	5,245	(25)	(27)	(275)	(8,918)	-	67,018
Motor vehicles	2,324	321	-	-	(24)	(430)	-	2,191
Office equipment	2,112	678	(1)	(1)	(51)	(468)	-	2,269
Furniture and fittings	4,861	98	-	-	(64)	(775)	3	4,123
Assets work-in-progress	1,598	31	-	-	-	-	-	1,629
	184,557	6,982	(678)	(28)	(414)	(12,652)	78	177,845

<----- At 30.4.2023 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	23,555	-	-	23,555
Buildings	99,703	(22,408)	(235)	77,060
Plant and machinery	216,603	(147,853)	(1,732)	67,018
Motor vehicles	7,797	(5,582)	(24)	2,191
Office equipment	10,149	(7,829)	(51)	2,269
Furniture and fittings	15,047	(10,860)	(64)	4,123
Assets work-in-progress	1,629	-	-	1,629
	374,483	(194,532)	(2,106)	177,845

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

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

Group	Balance as at 1.5.2021	Additions	Disposals	Written off	Impairment loss	Depreciation charge for the financial year	Exchange translation differences	Balance as at 30.4.2022
	RM'000							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 ----->

	Accumulated			Carrying amount
	Cost	Accumulated depreciation	impairment losses	
	RM'000	RM'000	RM'000	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 2023 (CONT'D)

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

Company	Balance as at 1.5.2022 RM'000	Additions RM'000	Disposals RM'000	Written off RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.4.2023 RM'000
Carrying amount						
Freehold land	8,710	-	-	-	-	8,710
Buildings	72,738	326	(652)	-	(1,811)	70,601
Plant and machinery	64,661	4,326	(11)	(19)	(8,271)	60,686
Motor vehicles	2,194	20	-	-	(342)	1,872
Office equipment	1,143	493	(1)	-	(312)	1,323
Furniture and fittings	4,574	72	-	-	(717)	3,929
Assets work-in-progress	1,308	321	-	-	-	1,629
	155,328	5,558	(664)	(19)	(11,453)	148,750

<----- At 30.4.2023 ----->

	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Freehold land	8,710	-	-	8,710
Buildings	89,922	(19,321)	-	70,601
Plant and machinery	201,279	(139,467)	(1,126)	60,686
Motor vehicles	6,708	(4,836)	-	1,872
Office equipment	8,440	(7,117)	-	1,323
Furniture and fittings	13,189	(9,260)	-	3,929
Assets work-in-progress	1,629	-	-	1,629
	329,877	(180,001)	(1,126)	148,750

NOTES TO THE FINANCIAL STATEMENTS
30 APRIL 2023 (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 2023 (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 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 RM414,000 (2022: RM331,000) was recognised within other operating expenses in the statements of profit or loss and other comprehensive income during the financial year due to the recoverable amount of the property, plant and equipment in a subsidiary, which was determined based on estimation of value-in-use, was lower than its carrying amount. The recoverable amount was determined using pre-tax discount rate of 8.5% (2022: 6.72%).

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 2022	6,878	78	1,432	865	151	9,404
Reassessments and modification	-	184	-	614	-	798
Additions	-	-	323	293	628	1,244
Depreciation	(151)	(245)	(245)	(679)	(340)	(1,660)
Balance as at 30 April 2023	6,727	17	1,510	1,093	439	9,786
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
Company						
Carrying amount						
Balance as at 1 May 2022	3,949	693	1,431	854	35	6,962
Reassessments and modification	-	-	-	601	-	601
Additions	-	2,032	323	286	628	3,269
Depreciation	(83)	(1,031)	(246)	(640)	(288)	(2,288)
Balance as at 30 April 2023	3,866	1,694	1,508	1,101	375	8,544
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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 2022	363	896	1,051	198	2,508
Reassessments and modification	184	8	594	-	786
Additions	-	323	293	628	1,244
Lease payments	(266)	(510)	(734)	(348)	(1,858)
Interest expense	13	46	46	40	145
Balance as at 30 April 2023	294	763	1,250	518	2,825
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
Company					
Carrying amount					
Balance as at 1 May 2022	698	896	950	9	2,553
Reassessments and modification	-	8	583	-	591
Additions	2,032	323	286	628	3,269
Lease payments	(1,060)	(510)	(691)	(317)	(2,578)
Interest expense	36	46	42	32	156
Balance as at 30 April 2023	1,706	763	1,170	352	3,991
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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

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

Represented by:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current liabilities	1,681	1,281	2,404	1,700
Non-current liabilities	1,144	1,227	1,587	853
	2,825	2,508	3,991	2,553

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Lease liabilities owing to financial institution	164	188	-	-
Lease liabilities owing to non-financial institutions	2,661	2,320	3,991	2,553
	2,825	2,508	3,991	2,553

- (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	Up to 99 years
Buildings	2 years
Plant and machinery	5 years
Hostels	2 to 10 years
Motor vehicles	2 to 9 years



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Depreciation charge of right-of-use assets (included in cost of sales, administrative expenses and marketing and distribution expenses)	1,660	1,540	2,288	2,189
Interest expense on lease liabilities (included in finance cost)	145	175	156	198
Expense relating to short-term leases (included in cost of sales and administrative expenses)	8	16	8	16
Expense relating to leases of low-value assets (included in cost of sales, administrative expenses and marketing and distribution expenses)	54	31	36	29
(Gain)/Loss on reassessments and modification of leases	(12)	75	(10)	(9)
	1,855	1,837	2,478	2,423

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

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
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) Total cash outflows for leases of the Group and of the Company amounted to RM1,920,000 and RM2,622,000 (2022: RM1,819,000 and RM2,534,000) respectively during the financial year.

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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
At cost:		
- Unquoted shares in Malaysia	22,920	22,920
- Unquoted shares outside Malaysia	233	233
	23,153	23,153
Less: Impairment losses of investments in unquoted shares in Malaysia	(3,412)	(1,468)
	19,741	21,685

- (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	Principal place of business/ Country of incorporation	Effective interest in equity held by the Group		Principal activities
		2023 %	2022 %	
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 extrusions
LB Aluminium (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	100.00	100.00	Retail and trading of aluminium extrusions 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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of company	Principal place of business/ Country of incorporation	Effective interest in equity held by the Group		Principal activities
		2023 %	2022 %	
Facade Performance Lab Sdn. Bhd.	Malaysia	100.00	100.00	Providing performance tests for windows, doors and facades
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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000	Total RM'000
2023						
NCI percentage of ownership interest and voting interest	49.00%	59.20%	57.45%	26.00%	40.00%	
Carrying amount of NCI	976	(105)	(2,931)	(1,059)	613	(2,506)
Profit/(Loss) allocated to NCI	2	(551)	(26)	(1,258)	70	(1,763)
Total comprehensive income/(loss) attributable to NCI	2	(551)	(26)	(1,258)	70	(1,763)
2022						
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 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (e) 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:

2023	CKSB RM'000	CBSB RM'000	PSHSB RM'000	GPSB RM'000	SEMS RM'000
Assets and liabilities					
Non-current assets	2,000	-	908	43,132	1,924
Current assets	14,862	46,464	206,224	18,009	2,491
Non-current liabilities	-	(30,131)	(61,739)	(51,210)	(337)
Current liabilities	(14,870)	(14,855)	(150,496)	(14,006)	(2,546)
Net assets/(liabilities)	1,992	1,478	(5,103)	(4,075)	1,532
Results					
Revenue	-	-	111,980	-	3,988
Profit/(Loss) for the financial year	5	(930)	(46)	(4,840)	175
Total comprehensive income/(loss)	5	(930)	(46)	(4,840)	175
Cash flows					
Cash flows (used in)/from operating activities	(107)	(2,607)	(31,621)	(1,772)	1,645
Cash flows from/(used in) investing activities	28,051	-	(158)	1,750	(531)
Cash flows (used in)/from financing activities	(27,945)	2,692	36,538	-	(284)
Net (decrease)/increase in cash and cash equivalents	(1)	85	4,759	(22)	830

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (e) 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):

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)/income	(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 2023 (CONT'D)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (f) 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.

	2023	2022
<u>Aluminium segment</u>		
Revenue growth rate for FY2024/FY2023	0% - 5%	5% - 101%
Revenue growth rate for FY2025 - FY2028/FY2024 - FY2027	0% - 5%	5% - 10%
Gross profit margin	17.8% - 43%	24% - 42%
Administrative expenses growth rate for FY2024 - FY2028/FY2023 - FY2027	3.5% - 5%	2%
Pre-tax discount rate	8.5%	6.72%
<u>Property segment</u>		
Average selling price (price per square foot)	RM167 - RM442	RM332 - RM355
Average administrative expenses growth rate	2%	2%
Average development costs growth rate	38%	14%
Pre-tax discount rate	13%	11.72%

Based on these assumptions, an impairment loss of RM1,944,000 (2022: RM1,468,000) was recognised within other operating expenses in the statements of profit or loss and other comprehensive income 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 2023 (CONT'D)

8. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unquoted shares, at cost	6,000	6,000	6,000	6,000
Less: Impairment losses	(5,781)	-	(1,932)	-
Share of post-acquisition profit	3,849	23,544	-	-
	4,068	29,544	4,068	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
		2023 %	2022 %	
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 2023 has been used for the purpose of applying the equity method of accounting.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

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

	VDSB RM'000
2023	
Assets and liabilities	
Non-current assets	53
Current assets	27,223
Non-current liabilities	(720)
Current liabilities	(6,215)
Net assets	<u>20,341</u>
Results	
Revenue	14,290
Profit for the financial year	873
Total comprehensive income	<u>873</u>
Share of results by the Group for the financial year	
Share of profit by the Group for the financial year	<u>305</u>
2022	
Assets and liabilities	
Non-current assets	75
Current assets	198,986
Non-current liabilities	(12,983)
Current liabilities	(68,133)
Net assets	<u>117,945</u>
Results	
Revenue	90,680
Profit for the financial year	25,025
Total comprehensive income	<u>25,025</u>
Share of results by the Group for the financial year	
Share of profit by the Group for the financial year	<u>5,005</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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.

	VDSB RM'000
2023	
Net assets as at 30 April	20,341
Interest in associate as at year end	20%
	4,068
Goodwill	-
Carrying value of Group's interest in the associate	4,068
2022	
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

- (e) Impairment losses of RM5,781,000 and RM1,932,000 of the Group and of the Company respectively was recognised within other operating expenses in the statements of profit or loss and other comprehensive income during the financial year, which was determined based on estimation of fair value less costs to sell of the underlying assets of the associate, was lower than its carrying amount due to the decline in operations of the associate.

9. OTHER INVESTMENT

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial asset at fair value through profit or loss				
Quoted shares in Malaysia, at market value	1,113	1,197	1,113	1,197

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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

10. GOODWILL ON CONSOLIDATION

	Group	
	2023 RM'000	2022 RM'000
Balance as at 1 May	757	2,490
Impairment loss on goodwill on consolidation	-	(1,733)
Balance as at 30 April	<u>757</u>	<u>757</u>

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

	Group	
	2023 RM'000	2022 RM'000
Aluminium	-	-
Property development	757	757
	<u>757</u>	<u>757</u>

- (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 2023 (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 the previous financial year, an impairment loss of RM1,733,000 on goodwill has been made as the recoverable amount of Aluminium CGU is lower than the carrying amount of the goodwill.

(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 recoverable amount is determined based on the value in use ("VIU") calculation. The VIU is calculated using the cash flow projections based on financial forecasts approved by management covering three (3) years (2022: six (6) years) using the following key assumptions:

	2023	2022
Average selling price (per square foot)	RM167 – RM442	RM332 – RM355
Average administrative expenses growth rate	2%	2%
Average development costs growth rate	38%	14%
Pre-tax discount rate	13%	11.72%

As at 30 April 2023, the recoverable amount of Property development CGU was higher than the carrying amount of the goodwill, therefore no impairment loss is 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
Selling price per square foot	Decrease by RM21	Breakeven
Development costs growth rate	Increase by 10%	Breakeven
Administrative expenses growth rate	Increase by 10%	Breakeven
Pre-tax discount rate	Increase by 5%	Breakeven



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

11. DEFERRED TAX ASSETS/(LIABILITIES)

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Balance as at 1 May	(20,844)	(19,998)	(20,096)	(18,953)
Recognised in profit or loss (Note 27)	3,479	(846)	3,887	(1,143)
Balance as at 30 April	(17,365)	(20,844)	(16,209)	(20,096)
Presented after appropriate offsetting:				
Deferred tax assets, net*	164	-	-	-
Deferred tax liabilities, net*	(17,529)	(20,844)	(16,209)	(20,096)
	(17,365)	(20,844)	(16,209)	(20,096)

* The amounts of set-off between deferred tax assets and deferred tax liabilities of the Group and of the Company were RM9,307,000 (2022: RM6,344,000) and RM7,845,000 (2022: RM4,305,000) respectively.

(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 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
Recognised in profit or loss	131	-	331	2,665	-	3,127
Balance as at 30 April 2023	176	300	1,436	7,559	-	9,471

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 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 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)
Recognised in profit or loss	489	(362)	225	352
Balance as at 30 April 2023	(24,407)	(2,255)	(174)	(26,836)

Deferred tax assets of the Company

	Lease liabilities RM'000	Allowances RM'000	Others RM'000	Total RM'000
Balance as at 1 May 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
Recognised in profit or loss	344	3,196	-	3,540
Balance as at 30 April 2023	958	6,887	-	7,845

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 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)
Recognised in profit or loss	721	(374)	347
Balance as at 30 April 2023	(22,007)	(2,047)	(24,054)



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000
Unabsorbed capital allowances	1,530	1,200
Unused tax losses:		
- Expiring on 31 December 2028	-	1,248
- Expiring on 31 December 2029	-	760
- Expiring on 31 December 2030	-	639
- Expiring on 31 December 2031	125	937
- Expiring on 31 December 2032	987	1,895
Other deductible temporary differences	-	127
	2,642	6,806

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.

With effect from 1 January 2022, for the Malaysian entities, any unused tax losses shall be deductible for a maximum period of ten (10) consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of ten (10) years of assessment shall be disregarded.

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 2023 (CONT'D)

12. INVENTORIES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At cost					
Raw materials		55,243	81,690	48,395	73,224
Finished goods		81,575	98,947	69,988	91,403
Consumables		4,708	3,665	4,416	3,384
Property development expenditure	(b)	210,837	204,921	-	-
		352,363	389,223	122,799	168,011

(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 2023 (CONT'D)

12. INVENTORIES (CONT'D)

(b) Property development expenditure

Group	Balance as at 1.5.2022 RM'000	Cost incurred during the year RM'000	Recognised in profit or loss RM'000	Balance as at 30.4.2023 RM'000
Leasehold land	79,085	6,820	(12,161)	73,744
Development costs	125,836	100,629	(89,372)	137,093
	204,921	107,449	(101,533)	210,837

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

Property development land of subsidiaries with carrying amount of RM85,905,000 (2022: RM40,759,000) is pledged as security for bank overdrafts and term loans granted to the subsidiaries as disclosed in Notes 20(e) and 20(f) to the financial statements.

- (c) During the financial year, inventories of the Group and of the Company recognised as cost of sales amounted to RM655,132,000 (2022: RM555,498,000) and RM513,680,000 (2022: RM518,337,000) respectively.
- (d) Inventories written off for consumables of the Group and of the Company during the financial year amounting to RM86,000 (2022: RM883,000) and is 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 RM15,000 (2022: RM16,000) and is included in cost of sales.
- (f) Interest expense capitalised under property development expenditure of the Group which amounted to RM8,622,383 (2022: RM2,082,353) bear interest rates ranging from 5.33% to 6.70% (2022: 3.40% to 5.45%).
- (g) The Group and the Company write down its 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 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current					
Amounts owing by subsidiaries	(d)	-	-	39,634	54,143
Less: Impairment losses	(i)	-	-	(4,518)	(321)
		-	-	35,116	53,822
Current					
Trade receivables					
Third parties	(b)	128,983	156,233	87,050	131,855
Amounts owing by subsidiaries	(c)	-	-	2,274	9,345
		128,983	156,233	89,324	141,200
Less: Impairment losses					
- third parties	(h)	(16,147)	(12,726)	(13,317)	(9,443)
Total trade receivables		112,836	143,507	76,007	131,757
Other receivables					
Third parties	(e)	2,913	20,320	1,379	11,825
Deposits		755	740	354	297
Amounts owing by subsidiaries	(e)	-	-	14,953	6,488
Amounts owing by shareholders of a subsidiary	(f)	3,503	3,503	-	-
		7,171	24,563	16,686	18,610
Less: Impairment losses					
- other receivables	(i)	(64)	(413)	-	-
- amounts owing by subsidiaries	(i)	-	-	(1,658)	-
		7,107	24,150	15,028	18,610
Total receivables		119,943	167,657	91,035	150,367
Prepayments		4,696	4,495	1,776	4,148
Total trade and other receivables (current)		124,639	172,152	92,811	154,515
Total trade and other receivables (non-current and current)		124,639	172,152	127,927	208,337



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 (2022: 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 (2022: 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 2.9% (2022: 3.4%) 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 except for amounts owing by subsidiaries of RM14,000,000 (2022: Nil) which bear interest at 2.9% (2022: Nil) per annum.

In addition, included in third parties in other receivables of the Group and Company represents advances paid to trade suppliers amounting to RM1,665,000 (2022: RM19,433,000) and RM689,000 (2022: RM11,001,000) respectively. The advances paid to trade suppliers are unsecured and interest-free.

- (f) Amounts owing by shareholders of a subsidiary in other receivables represent advances and payments made on behalf, which are unsecured, interest-free and payable upon demand.
- (g) Impairment for trade receivables are recognised based on the simplified approach using the lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk. 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 London Metal Exchange 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(g) (cont'd)

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.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the end of the reporting period. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The probability of non-payment by other receivables and amounts owing by subsidiaries are adjusted by forward-looking information such as London Metal Exchange 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.

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 define 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.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

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

	Lifetime expected credit losses ("ECL") allowances RM'000	Credit impaired RM'000	Total RM'000
Group			
Balance as at 1 May 2022	11,699	1,027	12,726
Charge for the financial year	3,840	324	4,164
Reversal of impairment loss	(745)	(58)	(803)
Exchange differences	60	-	60
Balance as at 30 April 2023	14,854	1,293	16,147
Balance as at 1 May 2021	4,908	1,973	6,881
Charge for the financial year	6,893	656	7,549
Reversal of impairment loss	(123)	(1,607)	(1,730)
Exchange differences	21	5	26
Balance as at 30 April 2022	11,699	1,027	12,726
Company			
Balance as at 1 May 2022	8,627	816	9,443
Charge for the financial year	3,599	323	3,922
Reversal of impairment loss	-	(48)	(48)
Balance as at 30 April 2023	12,226	1,091	13,317
Balance as at 1 May 2021	3,349	564	3,913
Charge for the financial year	5,278	655	5,933
Reversal of impairment loss	-	(403)	(403)
Balance as at 30 April 2022	8,627	816	9,443

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

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

	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Total RM'000
Group			
Balance as at 1 May 2022	413	-	413
Charge for the financial year	3	-	3
Reversal of impairment loss	(352)	-	(352)
Balance as at 30 April 2023	64	-	64
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
Company			
Balance as at 1 May 2022	-	321	321
Charge for the financial year	-	5,855	5,855
Balance as at 30 April 2023	-	6,176	6,176
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

- (j) 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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Maximum exposure	112,836	143,507	76,007	131,757
Collateral obtained	-	-	-	-
Net exposure to credit risk	112,836	143,507	76,007	131,757

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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Ringgit Malaysia	95,243	147,235	115,219	195,638
United States Dollar	10,000	8,811	9,715	8,526
Singapore Dollar	14,700	11,611	1,217	25
	119,943	167,657	126,151	204,189

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

Group 2023	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2023 RM'000
Current	95,839	(917)	94,922
Past due			
1 to 30 days	13,893	(1,674)	12,219
31 to 60 days	7,145	(1,720)	5,425
61 to 90 days	3,943	(3,750)	193
More than 90 days	8,163	(8,086)	77
	33,144	(15,230)	17,914
	128,983	(16,147)	112,836

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

NOTES TO THE FINANCIAL STATEMENTS
30 APRIL 2023 (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(l) The expected credit losses of trade receivables of the Group and of the Company are as follows (cont'd):

Company 2023	Gross carrying amount RM'000	Total allowance RM'000	Balance as at 30.4.2023 RM'000
Current	64,248	-	64,248
Past due			
1 to 30 days	9,335	(1,484)	7,851
31 to 60 days	5,252	(1,344)	3,908
61 to 90 days	3,265	(3,265)	-
More than 90 days	7,224	(7,224)	-
	25,076	(13,317)	11,759
	89,324	(13,317)	76,007
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

(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 2023 (CONT'D)

14. CONTRACT ASSETS

	Group	
	2023 RM'000	2022 RM'000
Property development contracts	9,730	-

- (a) Contract assets represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer.

- (b) Contract assets from property development contracts

	Group	
	2023 RM'000	2022 RM'000
Revenue recognised in profit or loss to date	111,980	-
Progress billings to date	(102,250)	-
	9,730	-

- (c) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 13(g) to the financial statements.

15. SHORT TERM FUNDS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At fair value through profit or loss				
Short term funds	47,514	28,271	47,514	28,271

- (a) Short term funds are 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 funds of the Group and of the Company are denominated in Ringgit Malaysia ("RM").

- (b) The management assessed that the fair value of the short term funds 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 funds is disclosed in Note 35 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

16. CASH AND BANK BALANCES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	33,850	22,248	25,453	18,276
Deposits with licensed banks	13,880	8,050	10,230	5,700
As reported in the statements of financial position	47,730	30,298	35,683	23,976
Less: Bank overdrafts (Note 20)	(11,966)	(12,700)	-	-
As reported in the statements of cash flows	35,764	17,598	35,683	23,976

- (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 (2022: up to 30 days) with interest rates of 1.15% to 2.72% (2022: 1.15% to 1.57%) and 2.60% to 2.72% (2022: 1.15% to 1.53%) per annum respectively.
- (c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Ringgit Malaysia	27,802	19,054	17,983	14,958
United States Dollar	17,651	9,017	17,639	9,000
Singapore Dollar	2,228	2,213	12	4
Others	49	14	49	14
	47,730	30,298	35,683	23,976

- (d) The reconciliation of movements in the impairment losses on cash and bank balances are as follows:

Group	12-month ECL	
	2023 RM'000	2022 RM'000
Balance as at 1 May	-	1
Reversal of impairment loss	-	(1)
Balance as at 30 April	-	-

- (e) Information on financial risks of cash and bank balances is disclosed in Note 35 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

17. ASSET CLASSIFIED AS HELD FOR SALE

In the previous financial year, 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 financial year 2021.

	Group RM'000
Balance as at 1 May 2021	24,672
Disposal	<u>(24,672)</u>
Balance as at 30 April 2022	<u>-</u>

The disposal was completed on 30 December 2021.

18. SHARE CAPITAL

	Group and Company			
	2023		2022	
	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	434,851	125,771	248,486	125,771
Effect of bonus issue	-	-	186,365	-
At end of financial year	<u>434,851</u>	<u>125,771</u>	434,851	125,771

In the previous financial year, 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

19. RESERVES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Exchange translation reserve	5,366	4,678	-	-
Retained earnings	260,282	232,404	213,559	174,645
	265,648	237,082	213,559	174,645

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.

20. BORROWINGS

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current liabilities					
<u>Secured</u>					
Term loans		91,599	25,720	-	-
<u>Unsecured</u>					
Term loan		2,960	4,440	2,960	4,440
	21	94,559	30,160	2,960	4,440
Current liabilities					
<u>Secured</u>					
Bank overdrafts		11,966	12,700	-	-
Term loan	21	131	6,960	-	-
<u>Unsecured</u>					
Bankers' acceptances		89,430	183,880	85,620	181,180
Revolving credits		20,000	25,000	20,000	25,000
Term loans	21	1,480	1,480	1,480	1,480
		123,007	230,020	107,100	207,660



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

20. BORROWINGS (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Total borrowings					
Bank overdrafts	16	11,966	12,700	-	-
Bankers' acceptances		89,430	183,880	85,620	181,180
Revolving credits		20,000	25,000	20,000	25,000
Term loans	21	96,170	38,600	4,440	5,920
		217,566	260,180	110,060	212,100

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) All borrowings are denominated in Ringgit Malaysia.
- (c) The borrowings of the Group and of the Company bear the following interest rates per annum:

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
Bank overdrafts	7.70	6.45	-	-
Bankers' acceptances	3.81 - 4.30	2.34 - 3.12	3.81 - 4.30	2.34 - 3.12
Revolving credits	4.73	3.07 - 3.76	4.73	3.07 - 3.76
Term loans	4.49 - 6.70	4.49 - 5.64	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 RM11,966,000 (2022: RM12,700,000) and term loan of RM61,599,000 (2022: RM32,680,000) are secured by:
- 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;
 - open all monies general debenture over a subsidiary's present and future assets;
 - open all monies assignment over surplus proceeds of the proposed development and charge over designated Housing Development Account;
 - a joint and several guarantee by a director of a subsidiary; and
 - a joint and several guarantee by a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

20. BORROWINGS (CONT'D)

- (f) The term loan of RM30,131,000 is secured by:
- (i) a facilities agreement to secure repayment of the principal sum of RM140,000,000 together with interest thereon and all monies due and payable;
 - (ii) first party first legal charge on the Project Land measuring 6.662 acres held under H.S.(D) 122704, PT 50112, Lot 58139, Jalan Sri Permaisuri 6, Taman Sri Permaisuri, Kuala Lumpur, Wilayah Persekutuan as disclosed in Note 12(b) to the financial statements;
 - (iii) a first debenture incorporating a fixed and floating charge over all present and future assets of Contras Build Sdn. Bhd.;
 - (iv) assignment of Contractor's All Risk and other relevant insurance policies;
 - (v) assignment and charge over present and future rights, title, interest and benefit in and under the Designated Accounts;
 - (vi) corporate guarantee of the Company for the principal sum of RM71,400,000 together with interest, costs and charges accrued thereon;
 - (vii) a personal guarantee by a director of a subsidiary for the principal sum of RM68,600,000 together with interests, costs and charges accrued thereon; and
 - (viii) a Power of Attorney to the Bank for the Project Land and/or the Project.
- (g) Information on financial risks of borrowings is disclosed in Note 35 to the financial statements.

21. TERM LOANS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 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	4,440	5,920	4,440	5,920
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	61,599	32,680	-	-
Term loan III, repayable in 48 months instalments of RM625,000, commencing on 1 November 2024 and expiring on 1 November 2028	30,131	-	-	-
	96,170	38,600	4,440	5,920



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

21. TERM LOANS (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current liability				
- not later than one (1) year	1,611	8,440	1,480	1,480
Non-current liability				
- later than one (1) year but not later than five (5) years	94,559	30,160	2,960	4,440
	96,170	38,600	4,440	5,920

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.

22. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current					
Other payable					
Amount owing to a corporate shareholder of a subsidiary	(e)	17,699	14,561	-	-
Current					
Trade payables					
Third parties	(b)	58,100	86,690	18,347	39,478
Amount owing to a related party	(c)	8,376	12,653	6,768	6,650
		66,476	99,343	25,115	46,128
Other payables					
Third parties		5,637	14,436	1,307	12,556
Accruals		9,073	10,365	6,597	9,279
Deposits received		10,271	8,268	9,984	8,209
Amounts owing to directors of subsidiaries	(d)	630	622	-	-
Amounts owing to subsidiaries	(d)	-	-	2,468	4,977
Amounts owing to a related party	(d)	36,854	48,060	-	-
		62,465	81,751	20,356	35,021
Total trade and other payables (current)		128,941	181,094	45,471	81,149
Total trade and other payables (non-current and current)		146,640	195,655	45,471	81,149

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

22. TRADE AND OTHER PAYABLES (CONT'D)

- (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 (2022: seven (7) to ninety (90) days) from the date of invoice.
- (c) 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 (2022: 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 of RM36,853,891 (2022: RM48,059,874) which bears interest at 2.9% (2022: 3.4%) per annum.
- (e) Non-current amount owing to a corporate shareholder of a subsidiary represents advances, which are unsecured, bears interest at 2.9% (2022: 3.4%) per annum and is not repayable within the next twelve (12) months.
- (f) The currency exposure profile of trade and other payables are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Ringgit Malaysia	140,260	167,866	41,020	59,858
United States Dollar	4,345	21,164	4,345	21,164
Singapore Dollar	1,877	6,498	-	-
Others	158	127	106	127
	146,640	195,655	45,471	81,149

- (g) Information on financial risks of trade and other payables is disclosed in Note 35 to the financial statements.

23. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers				
Recognised at point in time:				
Sales of goods	664,203	685,184	600,146	631,589
Test rig services	1,057	1,076	-	-
Engineering services	537	356	-	-
Recognised over time:				
Sales of properties under construction	111,980	-	-	-
	777,777	686,616	600,146	631,589



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

23. REVENUE (CONT'D)

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) Sale of properties under construction

Revenue from sale of properties under construction is recognised over time, commencing upon the Group entities entering into agreements with its customers. Revenue is recognised over time using input method based on the percentage of completion measured by reference to the property development costs incurred for work performed to date against the estimated property development costs to completion.

(d) 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.

(e) 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.

24. OTHER OPERATING INCOME

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Dividend income from:				
– other investment	58	47	58	47
– subsidiaries	-	-	3,841	4,474
– an associate	-	-	20,000	-
Gain on disposal of:				
– property, plant and equipment	107	31	53	31
– asset classified as held for sale	-	4,204	-	-
Interest income from:				
– deposits with licensed banks	1,704	884	1,615	663
– amounts owing by subsidiaries	-	-	1,725	2,012
Insurance claim recovery	304	306	304	306
Management service income from subsidiaries	-	-	731	721
Realised gain on foreign exchange	2,966	56	2,935	33

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

24. OTHER OPERATING INCOME (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Rental income	184	735	381	367
Fair value gain on derivative instruments	-	31	-	31
Fair value gain on on short term funds	215	87	215	87
Fair value gain on discounting of non-current amounts owing by subsidiaries	-	-	5,654	-
Sundry income	720	1,164	255	774
Unrealised gain on foreign exchange	1	1,360	-	1,349
	6,259	8,905	37,767	10,895

(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.

25. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fair value adjustment on non-current amounts owing by subsidiaries	-	-	-	2,454
Interest expense on:				
- amount owing to a corporate shareholder of a subsidiary	470	335	-	-
- bank overdrafts	871	627	-	1
- bankers' acceptances	5,199	3,582	5,032	3,482
- term loans	1,709	459	244	310
- lease liabilities	145	175	156	198
- related party	327	861	-	-
- revolving credits	897	917	897	917
	9,618	6,956	6,329	7,362



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

26. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at after charging/ (crediting):

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:				
- current year				
- BDO PLT	179	163	94	85
- other auditors	75	71	-	-
- under/(over)-provision in prior years	-	(4)	-	(2)
- other service	3	3	3	3
Bad debts written off	-	1,565	-	410
Fair value (gain)/loss on:				
- derivative instruments	-	(31)	-	(31)
- other investment	84	399	84	399
- short term funds	(215)	(87)	(215)	(87)
Impairment losses on:				
- property, plant and equipment	414	331	-	-
- goodwill on consolidation	-	1,733	-	-
- investments in subsidiaries	-	-	1,944	1,468
Other receivables written off	42	-	42	-
Net gain on disposal of:				
- property, plant and equipment	(69)	(31)	(48)	(31)
- asset classified as held for sale	-	(4,204)	-	-
(Gain)/Loss on reassessments and modification of leases	(12)	75	(10)	(9)
Net (gain)/loss on foreign exchange:				
- realised	(2,962)	(25)	(2,935)	(33)
- unrealised	711	(1,360)	706	(1,349)
Rental expenses on:				
- premises	8	16	8	16
- forklift and other equipment	54	31	36	29
Impairment losses on:				
- Trade and other receivables (Note 13)	4,167	7,902	3,922	5,933
- Amounts owing by subsidiaries (Note 13)	-	-	5,855	321
	4,167	7,902	9,777	6,254
Reversal of impairment losses on:				
- Trade and other receivables (Note 13)	(1,155)	(1,868)	(48)	(541)
- Amounts owing by subsidiaries (Note 13)	-	-	-	(1,571)
	(1,155)	(1,868)	(48)	(2,112)
Net losses on impairment of financial assets	3,012	6,034	9,729	4,142

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

27. TAX EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	11,824	14,313	10,264	12,050
Foreign income tax	1,473	98	-	-
	13,297	14,411	10,264	12,050
Over-provision in prior years				
Malaysian income tax	(117)	(2,427)	(104)	(2,203)
	13,180	11,984	10,160	9,847
Deferred tax (Note 11):				
Relating to origination and reversal of temporary differences	(2,680)	(1,267)	(2,874)	(920)
(Over)/Under-provision in prior years	(799)	2,113	(1,013)	2,063
	(3,479)	846	(3,887)	1,143
	9,701	12,830	6,273	10,990

(a) Malaysian income tax is calculated at the statutory tax rate of twenty-four percent (24%) (2022: 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.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

27. TAX EXPENSE (CONT'D)

- (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax	46,687	51,368	56,058	45,596
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	11,205	12,328	13,454	10,943
Tax effects in respect of:				
Non-taxable income	(3,252)	(2,391)	(8,060)	(1,843)
Non-deductible expenses	4,352	3,642	1,996	2,030
Utilisation of previously unrecognised deferred tax assets	(1,124)	-	-	-
Effects of different tax rate in foreign jurisdiction	(616)	(15)	-	-
Effects of share of profit of an associate	(73)	(1,201)	-	-
Deferred tax assets not recognised	125	781	-	-
(Over)/Under provision in prior years:				
- tax expense	(117)	(2,427)	(104)	(2,203)
- deferred tax	(799)	2,113	(1,013)	2,063
	9,701	12,830	6,273	10,990

- (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
2023			
Foreign currency translations	688	-	688
2022			
Foreign currency translations	164	-	164

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023	2022
Profit for the financial year attributable to owners of the parent (RM'000)	38,749	41,722
Average number of ordinary shares in issue at the beginning of financial year ('000)	434,851	248,486
Effect of:		
- Issuance of ordinary shares pursuant to bonus issue completed on 30 August 2021 ('000)	-	186,365
Weighted average number of ordinary shares in issue ('000)	434,851	434,851
Basic earnings per ordinary share (sen)	8.91	9.59

(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			
	2023		2022	
	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 2022: Single tier first and final dividend, paid on 18 October 2022	2.50	10,871	-	-
In respect of the financial year ended 30 April 2021: Single tier first and final dividend, paid on 16 November 2021	-	-	2.50	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 2024.



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

30. EMPLOYEE BENEFITS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages, salaries and bonuses	36,358	40,884	28,248	33,673
Defined contribution plan	2,966	3,467	2,240	2,916
Social security contributions	446	413	359	358
Others	3,877	3,298	3,468	2,935
	43,647	48,062	34,315	39,882

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 22 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, whom 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 2023 (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sales of products to subsidiaries:				
- LB Aluminium (Singapore) Pte. Ltd.	-	-	53,090	47,087
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	5,136	578
- ALBE Marketing Sdn. Bhd.	-	-	559	458
- ALBE Metal Sdn. Bhd.	-	-	3,354	3,153
- SEMS Sdn. Bhd.	-	-	3	5
Purchases of products from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	(6,486)	(7,783)
- ALBE Marketing Sdn. Bhd.	-	-	(534)	(463)
- ALBE Metal Sdn. Bhd.	-	-	(146)	(314)
- SEMS Sdn. Bhd.	-	-	(3,438)	(3,923)
Sales of dies to a subsidiary:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	421	496
Management and administrative fees from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	300	300
- LB Aluminium (Singapore) Pte. Ltd.	-	-	203	193
- 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.	-	-	2,491	924
- Rank Metal Sdn. Bhd.	-	-	100	100
- Poly Acres Sdn. Bhd.	-	-	400	450
- ALBE Metal Sdn. Bhd.	-	-	650	3,000
- Omega Pesona Sdn. Bhd.	-	-	200	-



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Dividend income from an associate:				
- Vistarena Development Sdn. Bhd.	-	-	20,000	-
Interest income from subsidiaries:				
- LB Aluminium (Sarawak) Sdn. Bhd.	-	-	-	15
- ALBE Metal Sdn. Bhd.	-	-	-	486
- Citajaya Kuasa Sdn. Bhd.	-	-	406	700
- Greentech Paramount Sdn. Bhd.	-	-	1,302	811
- SEMS Sdn. Bhd.	-	-	17	-
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.	(470)	(335)	-	-
Interest expense paid to a related party:				
- Platinum Victory Development Sdn. Bhd.	(327)	(861)	-	-
Purchases of products from a related party:				
- Formosa Shyen Horng Metal Sdn. Bhd.	(103,588)	(163,885)	(89,619)	(144,393)

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 2023 are disclosed in Notes 13 and 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 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	4,142	3,681	3,178	2,878
– defined contribution plan	431	386	371	334
	4,733	4,227	3,709	3,372
Non-Executive Directors:				
– fees	231	240	231	240
– other benefits	23	23	23	23
Total	4,987	4,490	3,963	3,635
<u>Directors of the subsidiaries</u>				
Executive Directors:				
Short-term employee benefits:				
– salaries, bonuses and other benefits	758	1,122	-	-
– defined contribution plan	91	130	-	-
	849	1,252	-	-
Non-Executive Director:				
– fees	240	240	-	-
Total	1,089	1,492	-	-
Total Directors' remuneration	6,076	5,982	3,963	3,635



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(ii) Other key management personnel				
Short-term employee benefits	872	811	872	811
Defined contribution plan	104	96	104	96
Total compensation for other key management personnel	976	907	976	907

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the Directors of the Company were RM73,400 (2022: RM73,400).

32. COMMITMENTS

(a) Operating lease commitment

The Group and the Company as a lessor

Non-cancellable operating lease receivable are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Not later than one (1) year	46	46	46	46

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

32. COMMITMENTS (CONT'D)

(b) Capital commitments not provided for in the financial statements are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
In respect of purchase of property, plant and equipment:				
Contracted but not provided for	-	1,816	-	1,816
Approved but not contracted for	8,486	9,203	8,486	9,203
	8,486	11,019	8,486	11,019

33. CONTINGENT LIABILITIES

	Company	
	2023 RM'000	2022 RM'000
Corporate guarantees given to banks for credit facilities granted to subsidiaries		
<u>Unsecured</u>		
- Limit of guarantee	9,200	9,200
- Amount utilised	3,679	2,700
<u>Secured</u>		
- Limit of guarantee	71,400	-
- Amount utilised	30,131	-
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	-	-

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 2023 (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 going concerns 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 2023 and 30 April 2022.

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 funds 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	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Borrowings	20	217,566	260,180	110,060	212,100
Lease liabilities owing to financial institution	6	164	188	-	-
Less:					
- Short term funds	15	(47,514)	(28,271)	(47,514)	(28,271)
- Cash and bank balances	16	(47,730)	(30,298)	(35,683)	(23,976)
Net debt		122,486	201,799	26,863	159,853
Total capital		391,419	362,853	339,330	300,416
Gearing ratio		31%	56%	8%	53%

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 2023.

The Group is not subject to any other externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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
2023			
Financial assets			
Trade and other receivables, excluding of prepayments	119,943	-	119,943
Contract assets	9,730	-	9,730
Short term funds	-	47,514	47,514
Cash and bank balances	47,730	-	47,730
Other investment	-	1,113	1,113
	177,403	48,627	226,030
Financial liabilities			
Trade and other payables	146,640	-	146,640
Borrowings	217,566	-	217,566
	364,206	-	364,206
2022			
Financial assets			
Trade and other receivables, excluding of prepayments	167,657	-	167,657
Short term funds	-	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



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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
2023			
Financial assets			
Trade and other receivables, excluding of prepayments	126,151	-	126,151
Short term funds	-	47,514	47,514
Cash and bank balances	35,683	-	35,683
Other investment	-	1,113	1,113
	161,834	48,627	210,461
Financial liabilities			
Trade and other payables	45,471	-	45,471
Borrowings	110,060	-	110,060
	155,531	-	155,531
2022			
Financial assets			
Trade and other receivables, excluding of prepayments	204,189	-	204,189
Short term funds	-	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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 financial 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 borrowings.

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 funds and other investment

The fair values of short term funds 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.

(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 2023 (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 2.9% (2022: 3.4%)	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 2.9% (2022: 3.4%)	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		
2023								
Financial assets								
Financial assets at fair value through profit or loss								
Other investment								
- quoted shares								
in Malaysia	1,113	-	-	-	-	-	1,113	1,113
Short term funds	47,514	-	-	-	-	-	47,514	47,514
Financial liabilities								
Term loans	-	-	-	-	82,681	-	82,681	96,170
Non-current amount owing to a corporate shareholder of a subsidiary	-	-	-	-	-	17,200	17,200	17,699

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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		
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 funds	28,271	-	-	-	-	-	28,271	28,271
Financial liabilities								
Term loans Non-current amount owing to a corporate shareholder of a subsidiary	-	-	-	-	35,124	-	35,124	38,600
	-	-	-	-	-	14,082	14,082	14,561



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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		
2023								
Financial assets								
Amortised cost								
Amounts owing by subsidiaries (non-current)	-	-	-	-	-	35,116	35,116	35,116
Financial assets at fair value through profit or loss								
Other investment - quoted shares in Malaysia	1,113	-	-	-	-	-	1,113	1,113
Short term funds	47,514	-	-	-	-	-	47,514	47,514
Financial liability								
Term loans	-	-	-	-	4,252	-	4,252	4,440

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 funds	28,271	-	-	-	-	-	28,271	28,271
Financial liability								
Term loans	-	-	-	-	5,549	-	5,549	5,920



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 dealing with 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 RM50,685,000 (2022: RM69,655,000), which represent 40% (2022: 33%) 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 2023 (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	
	2023	% of	2022	% of
	RM'000	total	RM'000	total
Malaysia	89,369	79	123,085	86
Singapore	13,468	12	11,611	8
United States of America	9,999	9	8,811	6
Others	*	*	*	*
	112,836	100	143,507	100

	Company		Company	
	2023	% of	2022	% of
	RM'000	total	RM'000	total
Malaysia	65,076	86	123,206	94
Singapore	1,217	1	25	*
United States of America	9,714	13	8,526	6
	76,007	100	131,757	100

* Amount is less than 1%



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 2023	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	130,406	18,180	-	148,586
Lease liabilities	1,742	1,186	52	2,980
Borrowings	128,720	102,194	3,778	234,692
Total undiscounted financial liabilities	260,868	121,560	3,830	386,258
Company				
Financial liabilities				
Trade and other payables	45,471	-	-	45,471
Lease liabilities	2,535	1,626	6	4,167
Borrowings	107,799	3,114	-	110,913
Total undiscounted financial liabilities	155,805	4,740	6	160,551

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 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	182,812	15,125	-	197,937
Lease liabilities	1,372	1,192	112	2,676
Borrowings	232,984	33,190	-	266,174
Total undiscounted financial liabilities	417,168	49,507	112	466,787
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

(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 2023 (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 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	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 2023									
Fixed rates									
Deposits with licensed banks	16	1.15 - 2.72	13,880	13,880	-	-	-	-	-
Lease liabilities	6	2.52 - 5.50	(2,825)	(1,681)	(620)	(247)	(149)	(78)	(50)
Amount owing to a corporate shareholder of a subsidiary	22	2.90	(17,699)	-	(17,699)	-	-	-	-
Amounts owing to a related party	22	2.90	(36,854)	(36,854)	-	-	-	-	-
Term loan	21	4.49	(4,440)	(1,480)	(1,480)	(1,480)	-	-	-
Floating rates									
Bank overdrafts	20	7.70	(11,966)	(11,966)	-	-	-	-	-
Bankers' acceptances	20	3.81 - 4.30	(89,430)	(89,430)	-	-	-	-	-
Revolving credits	20	4.73	(20,000)	(20,000)	-	-	-	-	-
Term loans	21	5.33 - 6.70	(91,730)	(131)	(14,199)	(25,260)	(34,976)	(13,414)	(3,750)
30 April 2022									
Fixed rates									
Deposits with licensed banks	16	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	22	3.40	(14,561)	-	(14,561)	-	-	-	-
Amounts owing to a related party	22	3.40	(48,060)	(48,060)	-	-	-	-	-
Term loans	21	4.49 - 5.64	(38,600)	(8,440)	(8,440)	(8,440)	(8,440)	(4,840)	-
Floating rates									
Bank overdrafts	20	6.45	(12,700)	(12,700)	-	-	-	-	-
Bankers' acceptances	20	2.34 - 3.12	(183,880)	(183,880)	-	-	-	-	-
Revolving credits	20	3.07 - 3.76	(25,000)	(25,000)	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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 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	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 2023									
Fixed rates									
Deposits with licensed banks	16	2.60 - 2.72	10,230	10,230	-	-	-	-	-
Lease liabilities	6	4.49 - 5.50	(3,991)	(2,404)	(1,214)	(213)	(113)	(41)	(6)
Amounts owing by subsidiaries	13	2.90	47,641	12,525	9,687	13,003	7,291	-	5,135
Term loan	21	4.49	(4,440)	(1,480)	(1,480)	(1,480)	-	-	-
Floating rates									
Bankers' acceptances	20	3.81 - 4.30	(85,620)	(85,620)	-	-	-	-	-
Revolving credits	20	4.73	(20,000)	(20,000)	-	-	-	-	-
30 April 2022									
Fixed rates									
Deposits with licensed banks	16	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	21	4.49	(5,920)	(1,480)	(1,480)	(1,480)	(1,480)	-	-
Floating rates									
Bankers' acceptances	20	2.34 - 3.12	(181,180)	(181,180)	-	-	-	-	-
Revolving credits	20	3.07 - 3.76	(25,000)	(25,000)	-	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (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	
	2023 RM'000 Profit after tax	2022 RM'000 Profit after tax	2023 RM'000 Profit after tax	2022 RM'000 Profit after tax
Floating rates				
Increase by 0.5% (2022: 0.5%)	(810)	(842)	(401)	(783)
Decrease by 0.5% (2022: 0.5%)	810	842	401	783

The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

Sensitivity analysis for fixed rates borrowings as at the end of the reporting period was not presented as fixed rate instruments are not affected by changes in interest rates.

(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 16 to the financial statements.

The foreign currency exposure profile have been disclosed in Notes 13, 16 and 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2023 (CONT'D)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Foreign currency risk (cont'd)

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	
	2023 RM'000 Profit after tax	2022 RM'000 Profit after tax	2023 RM'000 Profit after tax	2022 RM'000 Profit after tax
USD/RM:				
- strengthened by 5% (2022: 5%)	886	(127)	874	(138)
- weakened by 5% (2022: 5%)	(886)	127	(874)	138
SGD/RM:				
- strengthened by 5% (2022: 5%)	572	278	47	1
- weakened by 5% (2022: 5%)	(572)	(278)	(47)	(1)

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 instruments 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 these financial assets recognised in the statements of financial position, which amounted to RM48,627,000 (2022: RM29,468,000). 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 2023 (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 funds and other investment at the end of the reporting period, with all other variables held constant:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
	Profit	Profit	Profit	Profit
	after tax	after tax	after tax	after tax
Effects of 100bp changes in market quoted prices to profit after tax				
- Other investment	8	9	8	9
- Short term funds	361	215	361	215

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:

<u>Title</u>	<u>Effective Date</u>
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

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 2023 (CONT'D)

36. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

36.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

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
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	See MFRS 112 paragraph 98M (early adopted)
Amendments to MFRS 16 <i>Lease liability in a sale and leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
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.



LIST OF PROPERTIES

AS AT 30 APRIL 2023

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2023 RM'000	Date of Revaluation/ Acquisition*
1	Lot 11, Jalan Perusahaan 1 Kawasan Perusahaan Beranang 43700 Beranang Selangor Darul Ehsan	32	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	7,791	1.5.2011
2	Lot No 2.08 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	26	Freehold	248,216 (139,324)	Industrial complexes comprising warehouse 1, 2 and 3; anodising factory 1 and 2; powder coating factory	15,051	1.5.2011
3	Lot No. 2.11 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	22	Freehold	- (14,104)	Die shop	6,992	1.5.2011
	Lot No. 2.11 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	20	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	18	Freehold	176,557 (92,115)	A single storey warehouse with an annexed single storey loading bay with covered parking lot	11,298	1.5.2011
5	Lot No. 2.13A Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	18	Freehold	- (46,830)	Single storey warehouse annexed with double storey office	5,518	1.5.2011
6	Lot No. 2.46 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	16	Freehold	51,666 (24,664)	Single storey factory	2,854	1.5.2011
7	PT15145 HSD172073 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	8	Freehold	- (85,470)	Single storey warehouse annexed with double storey office	6,726	1.5.2011
8	PT15145 HSD172073 Jalan Perindustrian Mahkota 2 Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	12	Freehold	- (107,360)	1½-storey factory with 2-storey utility building	12,952	1.5.2011

LIST OF PROPERTIES (CONT'D)

AS AT 30 APRIL 2023

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2023 RM'000	Date of Revaluation/ Acquisition*
9	PT20470 HSD184914 Jalan Perindustrian Mahkota 3/F Kawasan Perindustrian Mahkota 43700 Beranang Selangor Darul Ehsan	4	Freehold	- (39,127)	Single storey warehouse with 1½-storey office building	8,136	1.1.2020*
10	Lot 241 (PT 1075) Tingkat Perusahaan 6 Kawasan Perusahaan Perai 13600 Perai Pulau Pinang	30	Leasehold 60 years expiring on 21.2.2042	24,840 (11,875)	Industrial land with factory building and warehouse	750	1.5.2011
11	No. 4, Jalan IM3/6 Kawasan Perindustrian Sektor 1 Indera Mahkota Bandar Indera Mahkota 25000 Kuantan Pahang Darul Makmur	24	Leasehold 66 years expiring on 5.3.2062	44,844 (17,610)	A single storey warehouse cum office building	1,292	1.5.2011
12	Block C-18-1 Megan Avenue II No. 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur	25	Freehold	- (2,454)	A corner office suite Corporate office	890	1.5.2011
13	Seri Mutiara Apartment B-09-05, Jalan Persiaran Seri Alam Bandar Baru Seri Alam 81750 Masai Johor Darul Takzim	26	Freehold	- (840)	An apartment suite (1-bedroom) Vacant	66	1.5.2011
14	No. E-3-2, 3rd Floor Taman Pangsapuri Malim Balai Panjang 75250 Melaka	26	Freehold	- (850)	3-storey walk-up apartment Vacant	42	1.5.2011
15	No. 7 Jalan TTS 4/8 Taman Tasik Semenyih 43500 Semenyih Selangor Darul Ehsan	28	Leasehold 99 years expiring on 5.11.2094	3,154 (1,275)	Single storey bungalow house Staff hostel	133	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 2023

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2023 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	7	Freehold	- (2,121)	An office lot Tenanted	724	18.7.2015*
19	09-12 Blok B Residensi Laman Lapan Jalan Sutera Kuning, Taman Sutera 81200 Johor Bahru Johor Darul Takzim	8	Freehold	- (808)	Apartment Vacant	321	13.4.2021*
The properties leased by LB Aluminium Berhad and its subsidiaries are as follows:							
20	Lot PLO 206 (PTD64090) No. 14, Jalan Angkasa Mas 5 Kawasan Perindustrian Tebrau II 81100 Johor Bahru Johor Darul Takzim ¹	30	Leasehold 60 years expiring on 14.4.2053	21,775 (12,782)	Industrial land with single storey factory annexed with 3-storey office	650	1.5.2011
21	Lot PLO 207 (PTD64089) No. 18, Jalan Angkasa Mas 5 Kawasan Perindustrian Tebrau II 81100 Johor Bahru Johor Darul Takzim ¹	26	Leasehold 60 years expiring on 14.4.2053	21,775 (16,274)	Industrial land with single storey factory annexed with 3-storey office	812	1.5.2011
The properties owned by subsidiaries are as follows:							
22	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
23	No. 53, Jalan PBS 14/10 Taman Perindustrian Bukit Serdang 43300 Seri Kembangan Selangor Darul Ehsan	26	Leasehold 99 years expiring on 5.7.2100	2,002 (2,678)	An intermediate 1½-storey terraced factory	564	1.5.2011
24	No. 55, Jalan PBS 14/10 Taman Perindustrian Bukit Serdang 43300 Seri Kembangan Selangor Darul Ehsan	26	Leasehold 99 years expiring on 5.7.2100	2,002 (2,678)	An intermediate 1½-storey terraced factory	564	1.5.2011

LIST OF PROPERTIES (CONT'D)
 AS AT 30 APRIL 2023

No.	Location	Approximate Age of Building Year	Tenure	Land Area / (Built Up Area) sq. ft.	Description	Net Book Value as at 30.4.2023 RM'000	Date of Revaluation/ Acquisition*
The properties owned by subsidiaries are as follows: (cont'd)							
25	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
26	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*
27	No. 11, Kaki Bukit Road 1 #03-07 Eunost Technolink Singapore 415939	17	Leasehold 60 years expiring on 8.7.2056	- (3,100)	1-storey shoplot	1,353	1.5.2011
28	Lot 846, Block 7, MTL Jalan Demak Laut 3 Sejingkat Industrial Park 93050 Kuching Sarawak	28	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	3,903	1.5.2011
29	Lot 847, Block 7, MTL Jalan Demak Laut 3 Sejingkat Industrial Park 93050 Kuching Sarawak	28	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	2,031	1.5.2011
30	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
31	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	171,266	12.9.2019*
32	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	39,571	24.6.2021*
33	B1-204, The Vista Apartment Lorong Demak Bayu 3A Jalan Demak Bayu, Off Jalan Bako 93050 Kuching Sarawak	2	Leasehold 60 years expiring on 24.7.2080	- (927)	Apartment Hostel	281	15.9.2022*

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 31 JULY 2023

STATISTICS ON ORDINARY SHAREHOLDINGS AS AT 31 JULY 2023

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 : 7,149

ANALYSIS OF ORDINARY SHAREHOLDINGS

Holdings	No. of Holders	Total Holdings	%
Less than 100	687	32,715	0.01
100 to 1,000	644	257,397	0.06
1,001 to 10,000	2,757	15,915,795	3.66
10,001 to 100,000	2,716	82,933,689	19.07
100,001 to less than 5% of issued shares	342	172,362,761	39.64
5% and above of issued shares	3	163,348,342	37.56
	<u>7,149</u>	<u>434,850,699</u>	<u>100.00</u>

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	-	-
Leow Sok Hoon	32,144,882	7.39	-	-
Yap Chee Woon	1,477,525	0.34	-	-
Toh Khiam Huat	-	-	-	-
Chew Kat Nyap	-	-	-	-
Teh Kok Heng	-	-	-	-
Tuan Haji Ahmed Azhar Bin Abdullah	-	-	-	-
Woon Wai En	-	-	-	-
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	-	-
	<u>163,348,342</u>	<u>37.56</u>	<u>-</u>	<u>-</u>

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 31 JULY 2023

THE THIRTY LARGEST SHAREHOLDERS AS AT 31 JULY 2023

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	Lim Choo Hong	10,000,000	2.30
6	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Leow Keng Soon (E-KLC)	8,750,000	2.01
7	Mark Wing Kong	6,376,125	1.47
8	Leow Sok Hong	6,318,026	1.45
9	Tang Lean See	4,374,912	1.01
10	Lim Khuan Eng	4,112,500	0.95
11	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Yeoh Ooi Chat (E-BBB/BBA)	3,440,000	0.79
12	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Wong Choy Fong	3,119,275	0.72
13	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Ng Beng Hoo	2,705,700	0.62
14	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Ta Kin Yan	2,630,000	0.60
15	Lim Kian Huat	2,181,375	0.50
16	Gee Hin Engineering Sdn Bhd	2,102,850	0.48
17	Lim Pei Tiam @ Liam Ahat Kiat	2,100,000	0.48
18	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Toh Su See	1,933,900	0.44
19	Chin Chee Wah	1,893,675	0.44
20	Tay Ying Lim @ Tay Eng Lim	1,850,925	0.43
21	Alliance Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Toh Su See (7004139)	1,804,800	0.42
22	Ong Ken Sim	1,531,250	0.35
23	Yap Chee Woon	1,477,525	0.34
24	HLB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Ng Beng Hoo	1,452,500	0.33
25	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Macrovention Sdn Bhd (E-BBB/BBA)	1,321,250	0.30
26	M & A Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Soh Choh Piau (M&A)	1,265,000	0.29
27	CGS-CIMB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Lee Leong Thai (Penang-CL)	1,233,925	0.28
28	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Teh Chong Jin	1,150,000	0.26
29	Melodi Ragam Sdn Bhd	1,099,175	0.25
30	Public Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged securities account for Cheah Eng Guan (E-SPI/PLI)	1,015,150	0.23
		253,633,082	58.30

**THIS PAGE HAS BEEN
INTENTIONALLY LEFT BLANK**

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://tjih.online> or <https://tjih.com.my> (Domain registration number with MYNIC: D1A282781) on Wednesday, 27 September 2023 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 2023.		
2.	To approve the payment of Directors' fees of RM391,000.00 for the financial year ended 30 April 2023.		
3.	To approve the payment of Directors' benefits of up to RM45,000.00 for the period immediately after this AGM until the next AGM of the Company to be held in 2024.		
4.	To re-elect Tan Sri Datuk Leow Chong Howa as Director.		
5.	To re-elect Ms Leow Sok Hoon as Director.		
6.	To re-elect Tuan Haji Ahmed Azhar Bin Abdullah as Director.		
7.	To re-elect Mr Woon Wai En as Director.		
8.	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
9.	To approve Mr Toh Khiam Huat to continue to act as an Independent Director.		
10.	To approve Mr Chew Kat Nyap to continue to act as an Independent Director.		
11.	To approve Mr Teh Kok Heng to continue to act as an Independent Director.		
12.	To grant authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
13.	To approve the Proposed Renewal of Authority for Share Buy-Back Mandate.		
14.	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 _____, 2023.

^ 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 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://tjih.online> or <https://tjih.com.my> (Domain registration number with MYNIC: D1A282781) on Wednesday, 27 September 2023 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 20 September 2023. 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://tjih.online>. Procedures for RPV can be found in the Administrative Notes for the AGM.
- The appointment of a proxy may be made 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://tjih.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 **Monday, 25 September 2023 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.

Fold Here



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.

Fold Here



LB
ALUMINIUM
BERHAD

[198501006093 (138535-V)]

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)

E-mail:

enquiry@lbalum.com.my

www.lbalum.com