

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		UNAUDITED CURRENT YEAR QUARTER 30 SEP 2019 RM'000	UNAUDITED PRECEDING YEAR QUARTER 30 SEP 2018 RM'000	Changes %	UNAUDITED CURRENT YEAR TO DATE 30 SEP 2019 RM'000	UNAUDITED PRECEDING YEAR TO DATE 30 SEP 2018 RM'000	Changes %
Revenue	B1	152,401	125,606	21%	390,231	391,549	0%
Operating expenses		(142,731)	(121,350)	18%	(364,866)	(376,150)	-3%
Other operating income		347	308	13%	631	442	43%
Profit from operations		10,017	4,564	119%	25,996	15,841	64%
Finance costs		(2,462)	(2,035)	21%	(10,446)	(5,936)	76%
Profit before tax		7,555	2,529	199%	15,550	9,905	57%
Taxation	B5	(3,082)	(904)	241%	(5,083)	(2,674)	90%
Profit for the period		4,473	1,625	175%	10,467	7,231	45%
Profit attributable to :							
Owners of the Company		4,473	1,625	175%	10,467	7,231	45%
Non-controlling interest		-	-		-	-	
Profit for the period		4,473	1,625	175%	10,467	7,231	45%
Basic earnings per share (sen)	B10 (a)	2.19	1.05	109%	5.12	4.66	10%
Diluted earnings per share (sen)	B10 (b)	1.67	0.90	85%	3.92	4.01	-2%

**(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018)**

**PMB Technology Berhad***(Company No.584257-X)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	UNAUDITED CURRENT YEAR QUARTER 30 SEP 2019 RM'000	UNAUDITED PRECEDING YEAR QUARTER 30 SEP 2018 RM'000	Changes %	UNAUDITED CURRENT YEAR TO DATE 30 SEP 2019 RM'000	UNAUDITED PRECEDING YEAR TO DATE 30 SEP 2018 RM'000	Changes %
Profit for the period	4,473	1,625	175%	10,467	7,231	45%
<i>Other comprehensive income, net of tax</i>						
Foreign currency translation differences for foreign operations	593	682	-13%	494	93	431%
Total comprehensive income for the period	<u>5,066</u>	<u>2,307</u>	<u>120%</u>	<u>10,961</u>	<u>7,324</u>	<u>50%</u>
Total comprehensive income attributable to :						
Owners of the Company	5,066	2,307	120%	10,961	7,324	50%
Non-controlling interest	-	-		-	-	
Total comprehensive income for the period	<u>5,066</u>	<u>2,307</u>	<u>120%</u>	<u>10,961</u>	<u>7,324</u>	<u>50%</u>

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT CURRENT FINANCIAL QUARTER END 30-SEP-19 RM'000 UNAUDITED</b>	<b>31-DEC-18 RM'000 AUDITED</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	578,871	424,546
Investment properties	1,164	1,186
Right-of-use assets	2,151	3,472
Goodwill	792	792
Deferred tax assets	4,355	5,538
	<u>587,333</u>	<u>435,534</u>
<b>Current assets</b>		
Inventories and contract assets	207,493	144,901
Trade receivables	123,303	112,071
Other receivables, deposits and prepayments	80,566	14,842
Amount due from related companies	21,090	10,437
Tax recoverable	3,302	3,312
Cash and bank balances	80,055	58,186
	<u>515,809</u>	<u>343,749</u>
<b>TOTAL ASSETS</b>	<u>1,103,142</u>	<u>779,283</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	200,427	51,365
Foreign currency translation reserve	4,493	3,999
ICULS equity	155,588	155,602
Warrant reserves	33,921	33,921
Retained profit	121,869	115,016
Treasury shares, at cost	(2,220)	(2,220)
	<u>514,078</u>	<u>357,683</u>
<b>Non-controlling interest</b>	-	-
<b>Total equity</b>	<u>514,078</u>	<u>357,683</u>
<b>Non-current liabilities</b>		
Hire purchase & finance lease liabilities	6,259	7,734
Term loan	171,956	92,437
Liability component of ICULS	19,654	24,555
Lease liabilities	294	1,003
Deferred taxation	7,148	7,148
	<u>205,311</u>	<u>132,877</u>
<b>Current Liabilities</b>		
Trade payables	53,225	47,542
Contract liabilities	30,859	6,221
Other payables and accruals	36,802	23,533
Hire purchase & finance lease liabilities	7,751	7,182
Overdraft & short term borrowings	196,660	137,338
Amount due to related companies	53,040	63,563
Dividend payable	2,046	-
Lease liabilities	1,857	2,469
Taxations	1,513	875
	<u>383,753</u>	<u>288,723</u>
<b>Total liabilities</b>	<u>589,064</u>	<u>421,600</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,103,142</u>	<u>779,283</u>
Net assets per share attributable to the owners of the company (RM)		
(based on 204,555,150 ordinary shares)	2.51	
(based on 154,959,600 ordinary shares)		2.31

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

			Attributable to Owners of the Company					Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Non-distributable		Warrants Reserves RM'000	Distributable Retained Profits RM'000	Total RM'000		
			Foreign currency translation reserve RM'000	Equity Component of RCCLS RM'000					
<b>At 1 January 2019</b>	51,365	(2,220)	3,999	155,602	33,921	115,016	357,683	-	357,683
Placement I & Placement II	149,043	-	-	-	-	-	149,043	-	149,043
Total comprehensive income for the period	-	-	494	-	-	10,467	10,961	-	10,961
Conversion of RCCLS	19	-	-	(14)	-	(3)	2	-	2
Dividend									
- Second interim dividend for the financial year ended 31 Dec 2018	-	-	-	-	-	(1,565)	(1,565)	-	(1,565)
- First interim dividend for the financial year ending 31 Dec 2019	-	-	-	-	-	(2,046)	(2,046)	-	(2,046)
<b>At 30 September 2019</b>	<b>200,427</b>	<b>(2,220)</b>	<b>4,493</b>	<b>155,588</b>	<b>33,921</b>	<b>121,869</b>	<b>514,078</b>	<b>-</b>	<b>514,078</b>
<b>At 1 January 2018</b>	46,941	(2,220)	3,327	-	-	108,744	156,792	-	156,792
Total comprehensive income for the period	-	-	93	-	-	7,231	7,324	-	7,324
Issuance of RCCLS	-	-	-	159,972	33,921	-	193,893	-	193,893
Conversion of RCCLS	4,210	-	-	(4,210)	-	(672)	(672)	-	(672)
Dividend									
- Fourth Interim dividend for the financial year ended 31 Dec 2017	-	-	-	-	-	(775)	(775)	-	(775)
- First interim dividend for the financial year ending 31 Dec 2018	-	-	-	-	-	(1,565)	(1,565)	-	(1,565)
<b>At 30 September 2018</b>	<b>51,151</b>	<b>(2,220)</b>	<b>3,420</b>	<b>155,762</b>	<b>33,921</b>	<b>112,963</b>	<b>354,997</b>	<b>-</b>	<b>354,997</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	UNAUDITED FOR THE 9 MONTHS ENDED 30-SEP-19 RM'000	UNAUDITED FOR THE 9 MONTHS ENDED 30-SEP-18 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	15,550	9,905
Adjustments for:		
Depreciation	17,048	10,360
Net (gain)/loss on disposal of property, plant and equipment and investment properties	(154)	(75)
Unrealised foreign exchange gain	(385)	-
Interest income	(376)	(251)
Interest expenses	10,446	5,936
Operating profit before working capital changes	<u>42,129</u>	<u>25,875</u>
Changes in working capital:		
Inventories & contract assets	(62,592)	(20,927)
Trade and other receivables	(87,609)	20,419
Trade and other payables	28,553	28,649
Cash used in operations	<u>(79,519)</u>	<u>54,016</u>
Income taxes paid	(3,252)	(3,195)
<b>Net cash (used in)/from operating activities</b>	<b><u>(82,771)</u></b>	<b><u>50,821</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment and investment properties	(172,104)	(235,234)
Interest received	376	251
Proceeds from disposal of property, plant and equipment, investment properties and assets classified as held for sale	907	75
<b>Net cash used in investing activities</b>	<b><u>(170,821)</u></b>	<b><u>(234,908)</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,565)	(2,340)
Interest expenses paid	(10,446)	(5,936)
Proceeds from hire purchase creditors	-	1,210
Repayment of hire purchase	(906)	-
Proceeds from bank borrowings	44,621	-
Repayment of bank borrowings	-	(8,555)
Proceeds from loan	92,541	22,683
Proceeds from Placement I & II	149,043	-
Proceeds from Rights Issue of ICULS with Warrants	-	212,295
<b>Net cash from financing activities</b>	<b><u>273,288</u></b>	<b><u>219,357</u></b>
Exchange differences on translation of the financial statements of foreign operations	<u>494</u>	<u>93</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>20,190</b>	<b>35,363</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>55,932</b>	<b>52,425</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>76,122</u></b>	<b><u>87,788</u></b>
The cash & cash equivalents comprise:		
Cash & bank balances	80,055	89,277
Bank overdraft	(3,933)	(1,489)
	<u>76,122</u>	<u>87,788</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018)

**EXPLANATORY NOTES TO THE QUARTERLY REPORT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**PART A : EXPLANATORY NOTES**

**A1. Basis of preparation**

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia.

The condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2018. The explanatory notes attached to the condensed consolidated financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the year ended 31 December 2018.

**A2. Significant Accounting Policies**

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2018, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2019.

- ) MFRS 16, *Lease*
- ) IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- ) Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- ) Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- ) Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)\**
- ) Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- ) Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment and Settlement\**
- ) Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- ) Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**A2. Significant Accounting Policies (Cont'd)**

**Standards issued but not yet effective**

***i) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020***

- ) Amendments to MFRS 3, *Business Combinations – Definition of a Business*
- ) Amendments to MFRS 101, *Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

***ii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021***

- ) MFRS 17, *Insurance Contracts*

***iii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- ) Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to adopt the above when they become effective in the respective financial periods. The adoption of the above is not expected to have any material impacts to the financial statements of the Group upon their initial adoption.

**A3. Seasonal or cyclical of operations**

The business of the Group was not significantly affected by any seasonal or cyclical factors.

**A4. Unusual items due to their nature, size and incidence**

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter under review.

**A5. Changes in estimates**

There were no material changes in estimated amount reported in prior period which have a material effect on the current financial year-to-date.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**A6. Debt and equity securities**

As at 30 September 2019, a total of 5,040,400 shares were held as treasury shares at cost in accordance with the requirements of Section 127 of the Companies Act, 2016. None of the treasury shares repurchased has been sold or cancelled.

**A7. Dividend paid**

The second interim single tier dividend of 1 sen per share totaling RM1,565,741.50 for the financial year ended 31 December 2018 was paid to shareholders on 18 April 2019.

The first interim single tier dividend of 1 sen per share totaling RM2,045,551.50 for the financial year ended 31 December 2019 was paid to shareholders on 2 October 2019.

**A8. Segmental information**

Segmental information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:

**Manufacturing & trading** : Manufacture of metallic silicon, aluminium access equipment and other related products, marketing and trading of aluminium products and other products.

**Construction & fabrication** : Contracting, designing and fabrication of aluminium curtain wall, cladding system and system formwork

	<b>Manufacturing &amp; trading RM'000</b>	<b>Construction &amp; fabrication RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b><u>3 months ended 30 September 2019</u></b>				
Total revenue	93,979	113,825	(55,403)	152,401
Inter-segment revenue	(7,198)	(48,205)	55,403	-
<b>Revenue from external customers</b>	<b>86,781</b>	<b>65,620</b>	-	<b>152,401</b>
<b>Segment result</b>	<b>5,907</b>	<b>4,110</b>		<b>10,017</b>
Finance cost				(2,462)
Tax expense				(3,082)
<b>Profit for the period</b>				<b>4,473</b>



**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**A8. Segmental information (Cont'd)**

	<b>Manufacturing &amp; trading RM'000</b>	<b>Construction &amp; fabrication RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b><u>9 months ended 30 September 2019</u></b>				
Total revenue	251,370	259,571	(120,710)	390,231
Inter-segment revenue	(28,449)	(92,261)	120,710	-
<b>Revenue from external customers</b>	<b>222,921</b>	<b>167,310</b>	<b>-</b>	<b>390,231</b>
<b>Segment result</b>	<b>15,681</b>	<b>10,315</b>		<b>25,996</b>
Finance cost				(10,446)
Tax expense				(5,083)
<b>Profit for the period</b>				<b>10,467</b>
<b>Segment assets</b>	<b>1,359,801</b>	<b>277,761</b>	<b>(534,420)</b>	<b>1,103,142</b>
<b>Segment liabilities</b>	<b>682,007</b>	<b>201,427</b>	<b>(294,370)</b>	<b>589,064</b>

**A9. Valuation of property, plant and equipment**

Property, plant and equipment of the Group were not revalued during the current quarter under review. All the property, plant and equipment were stated at costs less accumulated depreciation.

**A10. Material events subsequent to the balance sheet date**

Save for Note B6 pertaining to the Placements and Disposals, there were no material subsequent events since the end of the current quarter to the date of issue of this report that have not been reflected in the financial statements for the current financial year-to-date.

**A11. Changes in the composition of the Group**

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

**A12. Contingent liabilities**

There were no material changes in contingent liability as at the date of this quarterly report.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**A13. Capital commitments**

As at 30 September 2019, the Group has the following known capital commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>31,044</u>

**A14. Related Party Transactions**

The Group

With the affiliated companies - Press Metal Aluminium Holdings Berhad Group

	<u>Current year to-date</u>
	RM'000
Purchase of aluminium products	<u>109,849</u>
Sale of metallic silicon, fabricated aluminium products and building materials	<u>40,668</u>

**PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Operating Segments Review**

**(a) Q3/19 vs Q3/18**

The Group's revenue was higher at RM152.4 million, representing an increase of 21% from RM125.6 million recorded in Q3/18. The increase was mainly due to higher revenue contribution from Manufacturing and Trading segment.

In line with higher revenue, the Group's profit before tax ("PBT") increased from RM2.5 million to RM7.6 million.

Manufacturing and Trading segment

The revenue from Manufacturing and Trading segment increased by RM27.3 million or 46% from RM59.5 million to RM86.8 million, mainly contributed by the new metallic silicon plant.

With the contribution from the new metallic silicon plant, the segment profit increased from RM1.8 million to RM5.9 million.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B1. Operating Segments Review (Cont'd)**

**(a) Q3/19 vs Q3/18 (Cont'd)**

Construction and Fabrication segment

Revenue from Construction and Fabrication segment declined marginally from RM66.1 million to RM65.6 million. It was mainly due to slower progress of certain on-going projects. However, segment profit increased from RM2.7 million to RM4.1 million. Lower segment profit recorded in Q3/18 was largely due to higher raw material cost which was not fully passed on to the customers.

**(b) 9M/2019 vs 9M/2018**

The Group recorded a revenue of RM390.2 million for the nine months ended 30 September 2019("9M/2019"), representing a decrease of RM1.3 million from RM391.5 million recorded for the nine months ended 30 September 2018("9M/2018"). However, the Group's PBT increased from RM9.9 million to RM15.6 million.

Manufacturing and Trading segment

Revenue for Manufacturing and Trading segment increased by 33% from RM168.1 million to RM222.9 million, mainly due to the contribution from the new metallic silicon plant. Accordingly, the segment profit increased from RM6.2 million to RM15.7 million.

Construction and Fabrication segment

Construction and Fabrication segment recorded a revenue of RM167.3 million for 9M/2019, representing a decrease of 25% compared to RM223.5 million recorded for 9M/2018. The decrease was due to the resources and capacity allocated for the construction of the metallic silicon plant. Despite lower revenue, the segment profit increased from RM9.7 million to RM10.3 million. Lower segment profit recorded in 9M/2018 was mainly due to higher raw material cost which was not fully passed on to the customers.

**B2. Material Change in Performance of Current Quarter compared with Preceding Quarter (Q3/19 vs Q2/19)**

The Group's revenue increased by 8% or RM11.3 million from RM141.1 million to RM152.4 million. The increase was mainly attributable to the higher contribution from Construction and Fabrication segment and the inclusion of revenue from the new metallic silicon plant.

Higher revenue coupled with lower finance cost, the Group's PBT increased by RM1.7 million from RM5.8 million to RM7.6 million.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B3. Current year prospects**

The outlook of global growth remained challenging due to the prolonged trade tensions between United States and China which has also contributed to a slowdown in other major economies such as Europe and Asia Pacific region.

The local economy is expected to sustain, mainly by private sector activity, particularly household spending, which is supported by continued expansion in employment and income through government spending on infrastructure and housing development.

To streamline its business activities, the Group has decided to leave its trading of aluminium extrusion business by disposing four of its wholly owned subsidiary companies and to concentrate its full resources on the metallic silicon business, other manufacturing and construction activities.

The commodity prices and the Ringgit along with regional currencies will continue to be influenced by external factors. The currency exchange rates and the prices for both aluminium and metallic silicon are expected to be volatile in the near future.

Against this challenging and difficult backdrop, the Group will further improve its efficiency and products' quality in order to stay competitive and to achieve a satisfactory result.

**B4. Profit forecast**

Not applicable as no profit forecast was published.

**B5. Taxation**

	<u>Quarter Ended 30/09/19</u>	<u>Current Year To-date</u>
	RM'000	RM'000
Current taxation	1,899	3,900
Deferred tax charge	1,183	1,183
Total tax charge	<u>3,082</u>	<u>5,083</u>

The Group's effective tax rate for the financial year-to-date under review was higher than the prevailing statutory tax rate, mainly due to the deferred tax charge relating to the Irredeemable Convertible Unsecured Loan Stock and certain non tax-deductible expenses.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B6. Status of Corporate Proposals Announced**

(A) Placements

On 19 June 2019, the Company had completed Placement I with the listing and quotation for 15,650,000 new Placement I shares with issued price of RM3.10 each. The total proceeds raised was RM48,515,000.00.

On 24 July 2019, the Company had completed Placement II with the listing and quotation of 32,324,000 new Placement II shares with issued price of RM3.11 each. The total proceeds raised was RM100,527,640.00.

The total proceeds raised from Placement I and Placement II was RM149,042,640.00.

As at 30 September 2019, the status of utilisation of proceeds from the Placement I and Placement II are as follows:

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Estimated timeframe for utilisation from listing of the Placement I and Placement II
<b><u>Placement I</u></b>			
Working Capital	48,325	48,325	Within 12 months
Estimated expenses in relation to the Placement I	190	190	Upon the completion of the Placement I
	<b>48,515</b>	<b>48,515</b>	
<b><u>Placement II</u></b>			
Construction of the Phase 2 PMB Silicon Facility	40,138	40,138	Within 12 months
Purchase of equipment for the Phase 2 PMB Silicon Facility	60,000	31,688	Within 12 months
Estimated expenses in relation to the Placement II	390	390	Upon the completion of the Placement II
	<b>100,528</b>	<b>72,216</b>	
<b>Grand Total</b>	<b>149,043</b>	<b>120,731</b>	

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B6. Status of Corporate Proposals Announced (Cont'd)**

(B) Proposed Disposals

On 29 October 2019, the Company had announced the following Proposals:

- (i) Proposed Disposal of the entire equity interests in PMB Central Sdn Bhd, PMB Northern Sdn Bhd and PMB Eastern Sdn Bhd by Everlast Aluminium (M) Sdn Bhd, a wholly-owned subsidiary of PMBT to PMB (Klang) Sdn Bhd, for an aggregate cash consideration of RM43,182,000; and
- (ii) Proposed Disposal of the entire equity interest in PMB Aluminium Sabah Sdn Bhd by PMBT to PMB (Klang) Sdn Bhd for a cash consideration of RM1,204,000.

For details, please refer to our announcement to Bursa Malaysia Securities Berhad.

**B7. Group borrowings and debt securities**

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
<b><u>As at 30 September 2019</u></b>			
<b>(a) (i) Short term</b>			
Overdraft	-	3,933	3,933
Revolving credit	-	22,325	22,325
Trade facilities	26,496	125,802	152,298
Term loan	18,104	-	18,104
	<u>44,600</u>	<u>152,060</u>	<u>196,660</u>
<b>(ii) Long term</b>			
Term loan	171,956	-	171,956
	<u>171,956</u>	<u>-</u>	<u>171,956</u>
<b>Total</b>	<u>216,556</u>	<u>152,060</u>	<u>368,616</u>
	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
<b><u>As at 30 September 2018</u></b>			
<b>(a) (i) Short term</b>			
Overdraft	-	1,489	1,489
Revolving credit	-	7,166	7,166
Trade facilities	-	98,483	98,483
Term loan	3,354	-	3,354
	<u>3,354</u>	<u>107,138</u>	<u>110,492</u>
<b>(ii) Long term</b>			
Term loan	45,867	-	45,867
	<u>45,867</u>	<u>-</u>	<u>45,867</u>
<b>Total</b>	<u>49,221</u>	<u>107,138</u>	<u>156,359</u>

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B7. Group borrowings and debt securities (Cont'd)**

**(b) Foreign currency bank borrowings**

Foreign currency bank borrowings that denominated in Hong Kong Dollar (“HKD”) included in the above borrowings are as follows:

	<u>As at 30/09/2019</u>		<u>As at 30/09/2018</u>	
	HK'000	RM'000 Equivalent	HK'000	RM'000 Equivalent
Overdraft	1,633	872	2,000	1,058
Revolving credit	39,934	21,325	11,657	6,166
Trade facilities	22,702	12,123	6,738	3,565
	<u>64,269</u>	<u>34,320</u>	<u>20,395</u>	<u>10,789</u>

The Group borrowings has increased by RM212.3 million from RM156.4 million to RM368.6 million mainly due to the term loan and trade facilities drawdown for the metallic silicon plant in Bintulu, Sarawak.

**B8. Material Litigation**

There was no material litigation against the Group as at the reporting date.

**B9. Proposed Dividend**

The Directors declared a Second interim single tier dividend of 1 sen per share for the financial year ending 31 December 2019 and will be payable to shareholders on 15 January 2020. The entitlement date for the said dividend shall be 18 December 2019.

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

- (a) Shares transferred to the Depositor's securities account before 4.30 p.m. on 18 December 2019 in respect of transfers.
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to Rules of Bursa Malaysia Securities Berhad.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B10. Earnings Per Share**

**(a) Basic earnings per share**

	Current Quarter		Year-to-date	
	<u>30/09/19</u>	<u>30/09/18</u>	<u>30/09/19</u>	<u>30/09/18</u>
Profit attributable to Shareholders (RM'000)	4,473	1,625	10,467	7,231
Weighted average number of ordinary shares ('000)	204,555	155,296	204,555	155,296
Basic earnings per share (sen)	<u>2.19</u>	<u>1.05</u>	<u>5.12</u>	<u>4.66</u>

**(b) Diluted earnings per share**

	Current Quarter		Year-to-date	
	<u>30/09/19</u>	<u>30/09/18</u>	<u>30/09/19</u>	<u>30/09/18</u>
Profit attributable to Shareholders (RM'000)	4,712	1,625	11,068	7,231
Weighted average number of ordinary shares ('000)	282,482	180,300	282,482	180,300
Diluted earnings per share (sen)	<u>1.67</u>	<u>0.90</u>	<u>3.92</u>	<u>4.01</u>

**B11. Auditors' report**

The annual auditors' report of the audited financial statements for the year ended 31 December 2018 was not subject to any qualification.



**EXPLANATORY NOTES TO THE QUARTERLY REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**
**B12. Notes to the Condensed Consolidated Income Statement**

PBT is arrived at after charging and (crediting) the following items:

		Current Quarter RM'000	Current Financial To-date RM'000
a)	Interest income	(51)	(376)
b)	Other income including investment income	(10)	(186)
c)	Interest expense	2,462	10,446
d)	Depreciation and amortization	6,492	17,048
e)	(Reversal)/Provision for and write off of receivables	-	-
f)	Provision for and write off of inventories	-	-
g)	(Gain) and loss on disposal of quoted or unquoted Investments or properties	-	-
h)	Impairment of assets	-	-
i)	Foreign exchange (gain) or loss	785	850
j)	(Gain) or loss on derivatives	(390)	(390)
k)	Exceptional items	-	-

**B13. Derivative Financial Instruments**

As at 30 September 2019, the Group has the following outstanding derivative financial instrument:

Type of Derivative	Contract/Notional value RM'000	Fair value assets RM'000
Foreign Exchange Forward Contract		
- Less than 1 year	51,957	206
- 1 year to 3 years	103,125	178
- More than 3 years	101,465	6

The Group entered into the forward exchange contracts to hedge its highly probable forecast transactions denominated in foreign currency expected to occur in the future. Such contracts have maturity dates that match the expected occurrence of these transactions. These financial instruments are stated at fair value based on the financial institution's quote.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

**B13. Derivative Financial Instruments (cont'd)**

There is no significant change for the financial derivatives in respect of the following since the preceding financial year ended 31 December 2018:

- (i) The credit risk, market risk and liquidity risk associated with the derivatives;
- (ii) The cash requirements of the derivatives;
- (iii) The policies in place for mitigating or controlling the risks associated with these derivatives; and
- (iv) The related accounting policies.

**B14. Fair Value Changes of Financial Liabilities**

There were no fair value changes of financial liabilities during the current quarter ended 30 September 2019.

**On behalf of the Board**

**Koon Poh Ming**  
**Chief Executive Officer**  
28 November 2019